CanadianSolar

CanadianSolar

Asset Management Report

Asset Management Report

for the 9th FP

From July 1, 2021 to December 31, 2021

Canadian Solar Infrastructure Fund, Inc
2-1-1 Nishi-Shinjuku, Shinjuku-ku,
Tokyo 163-0450 Japan
https://www.canadiansolarinfra.com/en/

Cleaner Energy for the Next Generation

To Our Investors

On behalf of the Canadian Solar Infrastructure Fund, Inc. (hereinafter referred to as “CSIF”) , I would like to express sincere appreciation to all unitholders for their continued patronage and support.

CSIF is determined to maximize unitholder value by making efforts to achieve efficient investment, taking advantage of the vertical integration model of the Canadian Solar Group and external growth through the acquisition of facilities mainly from the sponsor pipeline to provide stable distribution.

In pursuit of these initiatives, we expect the continued understanding and suppor t of all unitholders.

Executive Director
Canadian Solar Infrastructure Fund, Inc.

CEO and Representative Director
Canadian Solar Asset Management K.K.
Hiroshi Yanagisawa

Contents

Feature Story
P9

ESG finance and Japan’s carbon neutrality policies

Financial Highlights

Key Indicators for the 9th FP

As of Dec. 31, 2021

Carbon Emissions (9th FP)

41,599kg-co_2

Carbon Emissions (cumulative) Jan.2020 – Dec.2021

82,391kg-co_2

Distribution Per Unit for the 9th FP

JPY 3,750

Operational Revenue for the 9th FP

JPY 3,587min

Operating Income for the 9th FP

JPY 1,344min

Net Income for the 9th FP

JPY 1,122min

# of Projects

25 PV Facilities

Total Acquisition Price

JPY 80.00bin

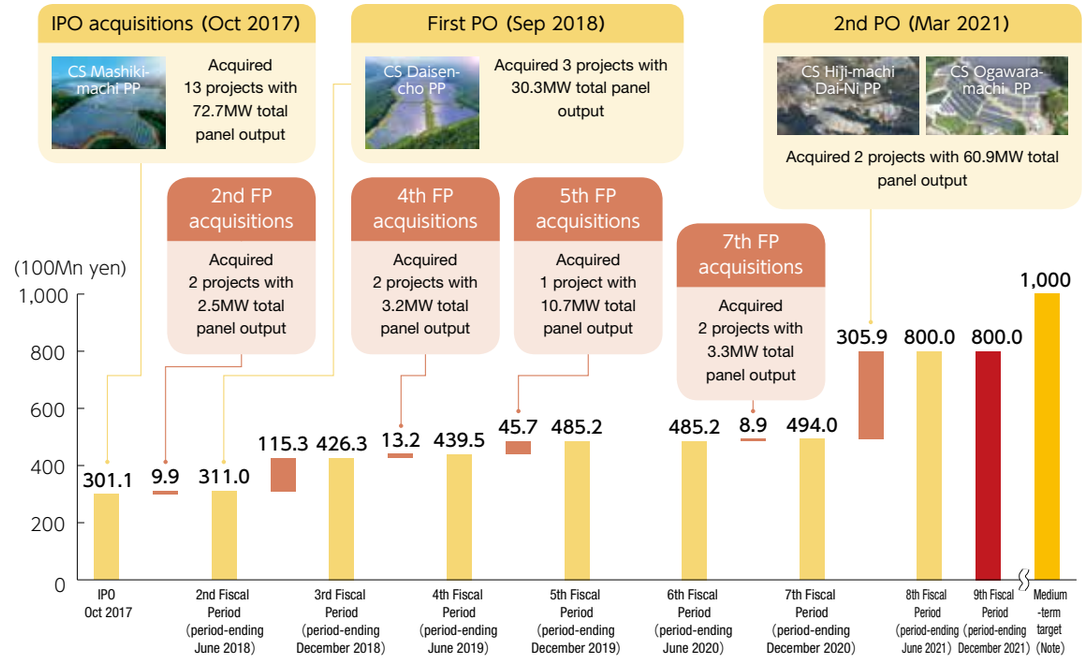
Panel Output of AUM

183.9MW

Track Record of Consistent External Growth

CSIF has achieved continuous growth in asset size by sourcing projects from the abundant sponsor pipeline.
As a result of the acquisition of new assets, which was completed during the 8th FP, CSIF held ¥80.0bn (acquisition value base) as of the end of the 8th FP, making it the largest player in the listed infrastructure fund market.
CSIF will continue to lead the market as the largest listed infrastructure fund by asset size.

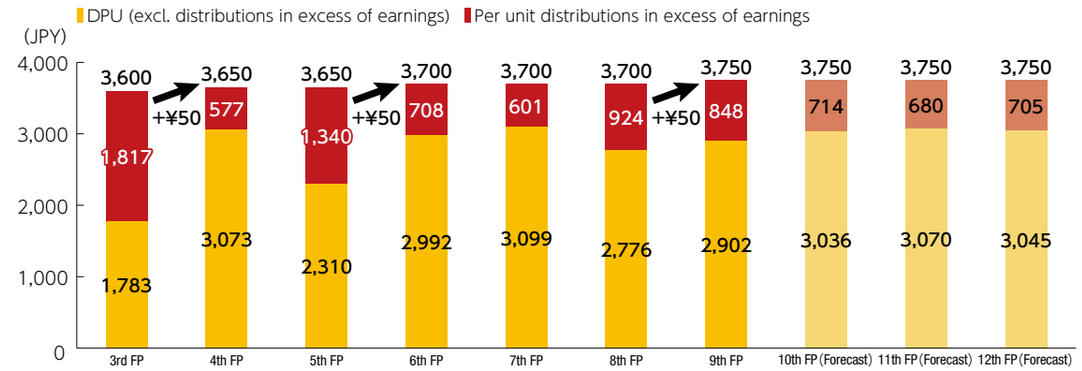
Track Record of Consistent External Growth (acquisition price basis)



(Note) The medium-term target shown above is CSIF's target as of Dec. 31, 2021, and does neither represent a guarantee nor promise that the target will be achieved nor when it will be achieved.

Historical and Forecasted Dividend

Since its listing, CSIF has offered a stable dividend and achieved steady increases in dividends.



(Note) Figures for the 10th~12th Fiscal Period are forecasts and are subject to change. They do not represent guaranteed distribution amounts.

Canadian Solar Group

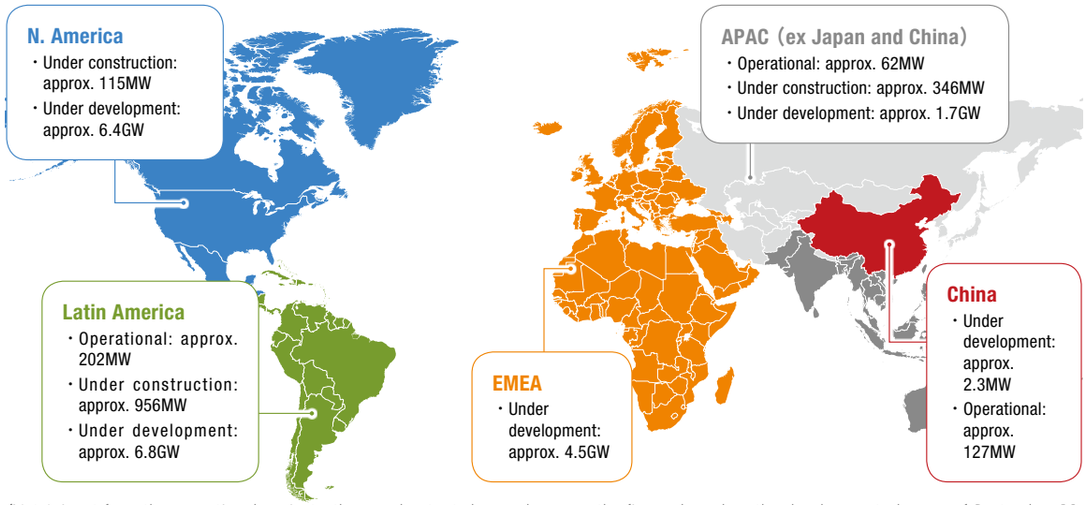
Canadian Solar Group, CSIF's sponsor, is a global company engaged in the manufacturing and sale of solar panels etc, as well as the development and operation of solar power plants, It was established in Ontario, Canada in 2001 and has been listed on the NASDAQ stock exchange since 2006. The company had more than 14,000 employees in 25 countries and has annual sales of approximately $3.5 billion (approximately 400 billion yen at current exchange rates) for the fiscal year ending December 31, 2020. The group entered the Japanese market in 2009 and has been selling solar panels for residential and industrial uses. The sponsor has also been involved in the development of solar power plants since the early days of renewable energy, as the Feed-in Tariff system for solar power generation started in Japan in 2012.

The manufacturer of the most "Bankable" (qualified as lending subject) solar power module (by Bloomberg New Energy Finance 2020 Module Bankability Survey)

Delivered solar panels amounting to over 63GW total capacity

Over 24GW solar power plants are being built and developed globally (incl. Recurrent Energy)

Global Sponsor Pipeline (panel output) (note) (as of 2021)



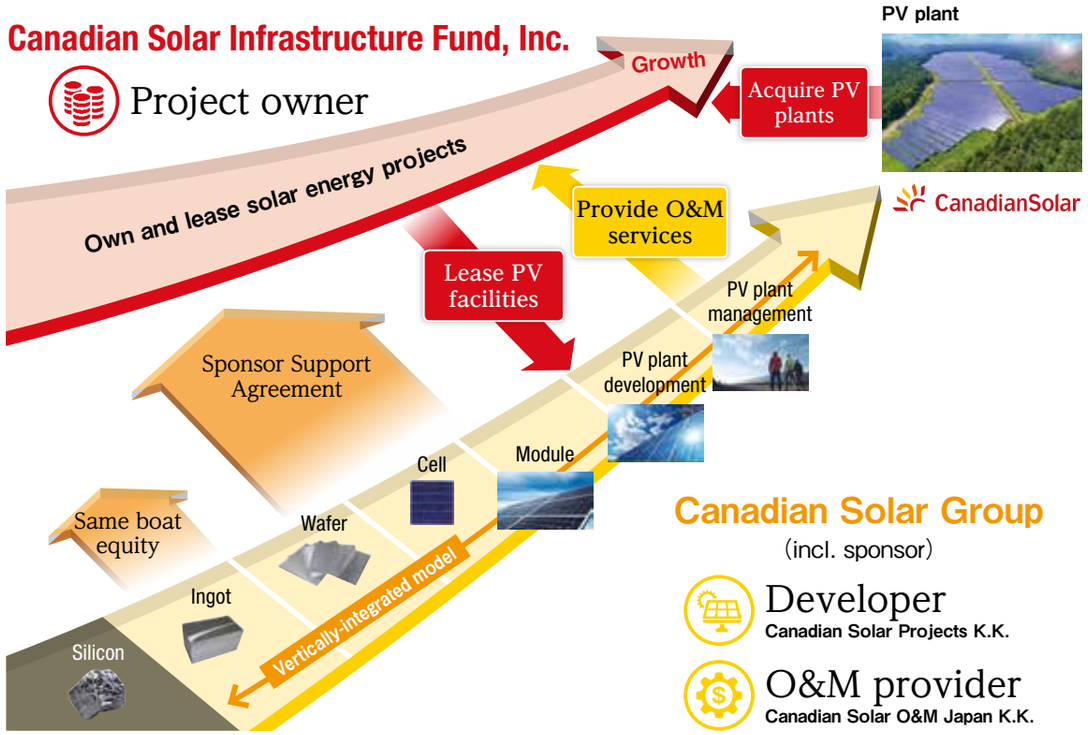
(Note) Apart from the operational projects, the panel output shown above are the figures based on the development plans as of September 30, 2021. The above figures may differ from actual panel output after construction of the so lar power plants is completed.The same shall apply here inafter.

Unique Aspects of the Fund

Advantageous Operation Based on the Vertically-Integrated Model of the Group

Prominent knowledge acquired by the Group as the total solution provider of solar power generation is fully utilized for the operation of CSIF. The uniqueness of the vertically integrated model of the group is shown as below.

The image of the value chain of renewable energy business at Canadian Solar Group



Stable Bank Formation

Ten new financial institutions provided the debt financing at the timing of property acquisitions made during the 8th fiscal period, bringing the total number of financial institutions to 23 as of the end of the 9th fiscal period. As a result, we have established a strong bank formation with Shinsei Bank, Sumitomo Mitsui Banking Corporation, Mizuho Bank, Bank of Mitsubishi UFJ, and Sumitomo Mitsui Trust Bank as arrangers and co-arrangers, and we believe we have secured a financing structure for future asset scale expansion.

Global Offering

In the past three public offerings, including the IPO, CSIF has raised funds from both domestic and overseas investors through global offerings. We believe that having overseas institutional investors as unitholders will enable us to manage our assets with an awareness of global standards and improve the liquidity of our investment units in the market. It will also contribute to stabilizing our fund-raising capacity in the future by expanding the number of institutional and individual investors in Japan.

Executive Director
Canadian Solar Infrastructure Fund, Inc.
CEO and Representative Director
Canadian Solar Asset Management K.K.

Hiroshi Yanagisawa

Management Interview

Aim to support the growth of Renewable Energy Industry as the leading listed Infrastructure Fund

Q1 Please explain the external growth strategy of CSIF

All 25 power plants held by CSIF are projects being developed by Canadian Solar Projects K.K., CSIF's sponsor. As the sponsor is carrying out development on an ongoing basis, in addition to the pipelines that exceed the assets currently held by CSIF in terms of value, the extensive sponsor pipelines will support the future growth of CSIF. Moreover, Japan Green Infrastructure Fund (JGIF), a development fund established by the sponsor group in cooperation with external investors, is acquiring external development projects to add to its pipelines. Further, CSIF has been considering acquiring power plants developed by third parties, in parallel with the above. Most recently, the acquisition of a plant located in Kama-shi, Fukuoka prefecture was completed using external bridge financing for the first time. The asset is scheduled to be incorporated into CSIF's portfolio at an appropriate time. We intend to accelerate the acquisition of assets developed by third parties in order to contribute to our external growth.

Q2 What initiatives are you taking for CSIF's internal growth?

In CSIF's solar power plant business, it is difficult to promote internal growth through rent revisions regarding its operating assets, as electricity sales revenue under the feed-in tariff (FIT) regime is based on FIT prices fixed for each power plant. Given that, we take steps to increase rent revenues at several power plants through new initiatives based on specific wholesale agreements with external retailers under which retailers purchase electricity at premium prices (premiums added to FIT prices). Moreover, solar power plants in Kyushu region to which the 30-day rule (rule setting a maximum of 30 days of curtailment in cases where supply exceeds demand) applies, modification construction (on a voluntary basis) for shifting to online curtailment has been completed as part of efforts to minimize the impact of curtailment. Further, on the assumption that output curtailment will start at power plants in other regions, we will sequentially implement modification construction for shifting to online output curtailment in the future.

Q3 It seems that the incidence of heavy rains from typhoons, earthquakes and other natural disasters are increasing in recent years. What are the measures that CSIF is taking?

As you point out, we recognize an increase in the last few years in the frequency of natural disasters that previously occurred once every few decades according to media reports. CSIF monitors the power plants using the Group's monitoring system, 24 hours a day, 365 days a year in cooperation with CSOM, to which CSIF commissions work for the management and operation of power plants. It takes prompt, appropriate measures during a disaster. We also ensure that we make timely reports to investors by means such as press releases on the operation of power plants located in the area affected by the disaster. Moreover, as measures to prevent disasters, we work on maintenance and management, through monthly inspection and confirmation of the status of power plant facilities, ground condition, drain facilities and the surrounding environment. We carry out maintenance and upgrades to detect at an early stage any small change that may lead to disaster, thereby ensuring disaster-resistant power plants.

Q4 Please tell us about CSIF's dividend policy.

CSIF has maintained a basic policy of stable dividend payouts. The level of dividend per unit (including distributions in excess of earnings) has been revised upwards three times by 50 yen each time, compared to 3,600 yen in the 3rd fiscal period. We expect the level to reach 3,750 yen in the 9th fiscal period. Although the final amount of distribution from net profit for each fiscal period may fluctuate against initial forecasts depending on the actual power generation amount, we endeavor to achieve the projected dividends in terms of the total dividend by appropriately using distributions in excess of earnings. We plan to maintain similar dividend policy in the future.

To Carbon Neutrality

PM Suga in October of 2020 set a target to achieve zero greenhouse gas emissions by 2050 in his general policy speech.
Given the policies and forecasts released by the Japanese government, CSIF believes that renewable energy may make up a larger portion of the supply of electricity generated in Japan.

Long-term goal to reduce greenhouse emissions		Pledge to maximize use of renewable energy sources		Commence discussions on carbon pricing rule
Zero greenhouse gas emissions by 2050	×	Renewable energy to be promoted as the **main power source** in Japan's energy mix	+	**Actively devise legislation on pricing of carbon emissions**
▼				▼
Increase in renewable energy within total energy mix				**Promote use of renewable energy**

Feature Story

ESG finance and Japan's carbon neutrality policies

Investments and loans made by taking into account not only conventional financial information but also non-financial information, comprising environmental, social and governance factors, are called ESG finance. ESG finance has attracted worldwide attention and in the last several years has been expanding dramatically in Japan. Needless to say, ESG finance has had a favorable impact on investments in investment units offered by the Investment Corporation, loans from banks and the issuance of green bonds.

As ESG finance evolves and expands both in terms of quality and volume, moves to respond to the initiatives of the Task Force on Climate-related Financial Disclosures (TCFD) and other opportunities for similar disclosure as well as "100% renewable" (RE100) and net carbon zero target setting are becoming increasingly active among global companies and issuing entities. In other words, investors and banks are positively evaluating these ESG initiatives, while businesses also have become keenly aware of these initiatives as means to improve corporate value.

In Japan, since Prime Minister Yoshihide Suga made a policy speech in October 2020 on the establishment of goals for reducing greenhouse gas emissions and achieving carbon neutrality by 2050, the Japanese government has been accelerating initiatives toward post-carbon society.

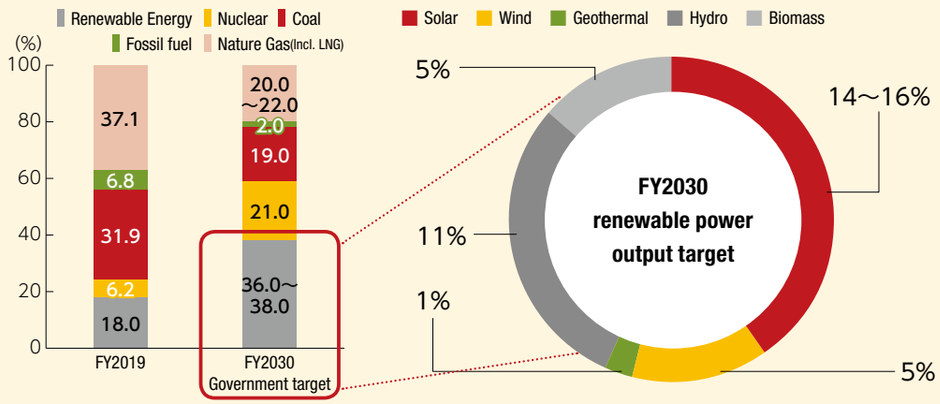
In circumstances where new currents are emerging, some forward-thinking global enterprises are now asking their business partners to set emission reduction targets, conduct renewable energy procurement, etc. Initiatives to achieve the post-carbon society are shaping corporate management strategies and leading to the creation of new business opportunities.

Aiming to Achieve Carbon Neutrality

In the 6th Basic Energy Plan approved by the Cabinet in October 2021, it was stated that "based on the basic premise of S+3E(Note), we maximize the introduction of renewable energy while curbing the burden on the public and coexisting with local communities. The 16%. The government's target of renewable energy for 2030 is 36-38% of the total power supply, with solar power accounting for the largest share at 14-16%, so the role of solar power will be important for the time being.

(Note) The acronym stands for Safety, Energy Security, Economic Society, and Environment.

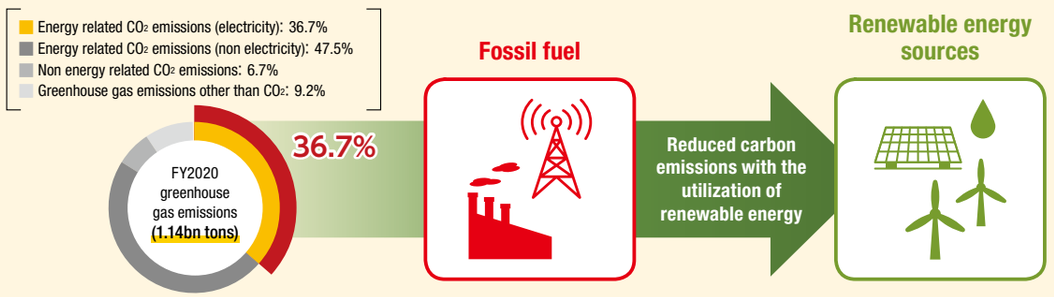
Ratio of Renewable Energy in total Energy Mix Target : 36～38%
Solar power is expected to compose 14%~16% of the total renewable energy mix



(Note) Preliminary figures for FY2020 are used, and there may be differences from the finalized FY2020 figures to be released in 2022.

Breakdown of greenhouse gas emissions in Japan(Note)

Carbon emissions from electricity production makes up 35.7% of total carbon emissions in Japan, and the introduction and wider use of renewable energy are expected to contribute towards lowering Japan's carbon emissions.



Based on the judgment that it is essential to conduct a comprehensive review of the regulations that serve as barriers to this process, and to promote the necessary regulatory review and expedite the review process, the government established the "Task Force for Comprehensive Review of Regulations Concerning Renewable Energy, etc." in November 2020 in order to achieve such regulatory reform with a sense of speed. Many requests for deregulation and removal of regulations have been submitted and studies have begun in the areas of (1) location restrictions, (2) grid regulations, (3) market restrictions, (4) coexistence with local communities, and (5) others.

Effort in ESG

Introduction

Canadian Solar Asset Management K.K.（“CSAM”）serves as an asset manager of Canadian Solar Infrastructure Fund, Inc.（“CSIF”）which invests mainly in renewable energy power generation facilities. Canadian Solar Project K.K.（“CSP”）is a developer of PV projects and a sponsor for CSIF and CSAM. CSAM together with CSP has contributed to building a sustainable economic society in local regions while paying a great attention to the global environment. Thus, CSAM has run its asset management business with its focus on the environmental aspect among the ESG initiatives. In addition, CSAM fully recognizes that considering the social and governance aspects in the asset management operations is also deemed extremely important by investors and fund managers in Japan and overseas with a focus on SRI. Under such circumstances, CSAM believes that active, appropriate disclosure of information about its initiatives will be more important going forward; therefore, CSAM set forth its“Approach into UN PRI” as ESG basic policy late December of 2020.
CSAM has facilitated the “Contribution to the Global Environment” via an increased installment of renewable energy facilities in Japan since IPO of CSIF. Going forward, CSAM would like to make an opportunity for SRI available for investors by “Realizing A Sustainable Society” and “Vitalizing A Regional Society” as for the social and governance aspects.

Signatory to UN PRI / CSAM’s approach on UN PRI

As of August 13, 2019, our asset manager, Canadian Solar Asset Management K.K.（“CSAM”）, became the first Japanese asset manager of a listed infrastructure fund to be a signatory to the UN PRI（United Nations supported Principles for Responsible Investment）to promote ESG（Environmental, Social, Governance）investments.
As a signatory to the UN PRI, CSAM devised an “Approach to UN PRI Guidelines” as of the end of December 2020 as its basic ESG policy, which can be found on CSIF’s website as of February 17, 2021.

Signatory of: PRI Principles for Responsible Investment

Power sales to renewable energy users through a Wholesale Electricity Supply Agreement with UPDATER, Inc. and Zero Watt Power Inc.

By executing the wholesale electricity supply agreement with UPDATER, Inc（fomer Minna-denryoku, Inc.）and Zero Watt Power Inc for CSIF’s power plants listed below, CSIF contributes to supply FIT electricity to consumers. With respect to electricity consumption of CSIF’s power plants, purchase of clean energy derived from renewable sources have been started. CSIF believes that the fund contributes to the utilization of renewable energy.

Power Plant	Counter Party	Premium Wholesale	Purchase of clean energy
CS Marumori-machi PP	**UPDATER**	From February 2021	From January 2021
CS Izu-shi PP	**Zero Watt Power**	From February 2021	From March 2021
CS Mashiki-machi PP		From December of 2021	From June 2021
CS Daisen-cho PP（A）（B）		From June 2021	From May 2021
CS Hiji-machi Dai-ni PP		From July 2021	From June 2021
CS Ogawara-machi PP		From May 2021	From July 2021

Addressing climate change based on TCFD recommendations

TCFD is the Task Force on Climate-related Financial Disclosure established by the Financial Stability Board（FSB）at the request of the G20, which recommends "governance," "strategy," "risk management," and "indicators and targets" for climate change-related information disclosure. CSIF has also disclosed TCFD related information.

Category	Content on CSIF Disclosure
Governance	● **Establishment of CSAM Sustainability Committee** Discuss ESG issues, including climate change, and report to the CSIF's Board of Directors twice a year
Strategy	● **Identifying specific risks and opportunities** Sort out "transition risks/opportunities" and "physical risks/opportunities"in a society moving toward decarbonization from climate change in the short, medium, and long term ● **Scenario analysis** Conduct scenario analysis on the climate change risks/opportunities identified and organized, and on the themes rated as "highly significant".
Risk Management	● **Photovoltaic Climate-Related Risks"/Opportunities** Evaluate the level of importance by considering "impact on business," "relevance to business strategy," and "level of interest of stakeholders. ● **Management Process** Organize the identified significant risks in terms of "risk identification and recognition methods," "risk limits," "risk mitigation measures," "risk mitigation methods when risks are discovered," etc.
Metrics and Targets	● **Recognized the 2030 government target based on the Sixth Basic Energy Plan as an important indicator** ● **Promote installation of online curtailment controllers**

External Certification and Recognition Related to ESG

On May 11, 2020, CSIF obtained Green 1（F）rating, the highest overall rating in the JCR Green Finance evaluation, for the framework we established to limit the use of funds procured through green bonds and green loans to those with environmental improvement effects.

E Incorporate measures to reduce environmental impact from manufacturing solar panels

The Canadian Solar Group is focused on reducing the environmental impact from solar panel manufacturing processes such as greenhouse gases and manufacturing waste and water.（2017-2020）

Greenhouse gas emissions	Manufacturing water consumption
▲20%	▲18%
Energy consumption	**Manufacturing waste**
▲19%	▲44%

Actual initiatives at CSIF’s property（CS Daisen-cho Power Plant）

Power plant carefully developed by protecting the rich environment of Daisen-cho

The district in which CS Daisen-cho Power Plant is located is in close proximity to districts known for their diverse and rich ecological environments with forests, plants and wild birds. Efforts were made to refrain from using chainsaws when developing the project to avoid damaging the habitat of rare species of indigenous falcons, while painting the fence around the site using camouflage colors.
The power plant can provide 27MWp of clean regenerated energy, equivalent to electricity for approximately 8,000 households.

S

The Daisen Canadian Garden was constructed and donated to the Daisen-cho Town Government in commemoration of the completion of the power plant as part of our contribution to local communities **under the concept of “harmony between nature and large-scale solar power plant.”** In addition, **we repaired Hima Jinja Shrine and donated an incense holder made of white granite to Shimpukuji Temple** in the same town.

G Aligning the interest of unitholders with that of the Sponsor

We aim to increase unitholders’ value by aligning the interest of unitholders with that of the sponsor.

Number of units held by the sponsor and holding ratio after the offering: 56,620units (14.64%)

Portfolio

Portfolio Highlight

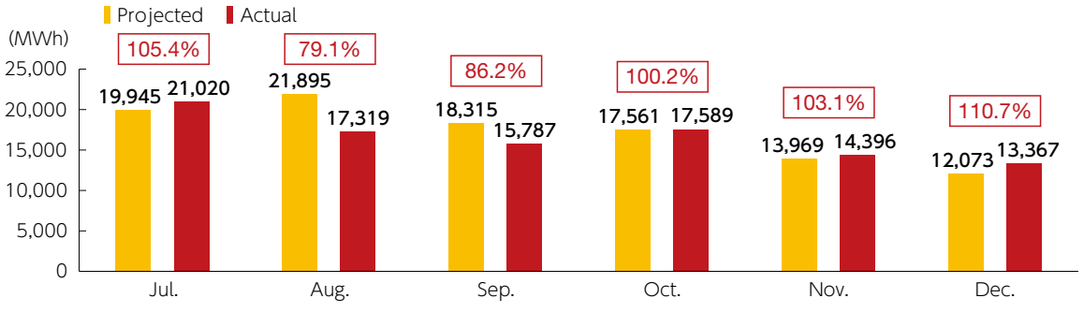
As of Dec. 31, 2021

# of Projects	Total Acquisition Price	Panel Output of AUM
25 PV Facilities	JPY 80.00bln	183.9MW

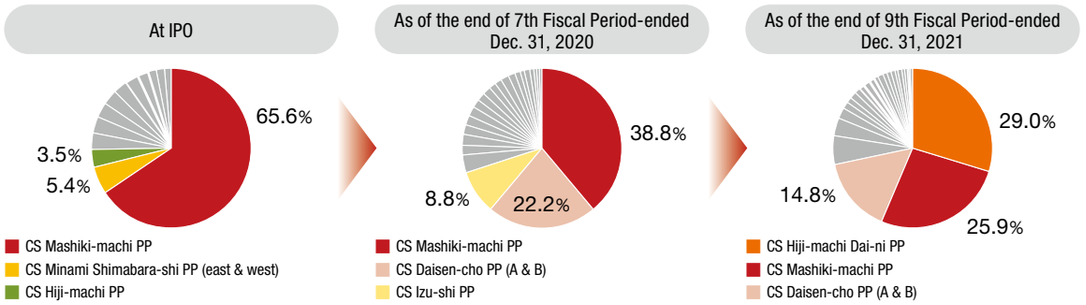
(Note) "Total Acquisition Price" is total of the purchase prices based on the sales and purchase agreement for each project.

Total Energy Output for the Period

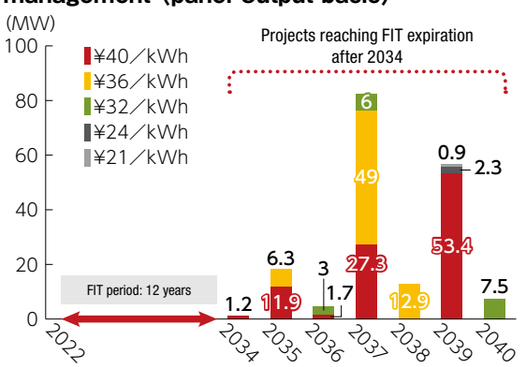
9th FP Actual Energy Output / 9th FP Projected Energy Output = 95.87% (Full year of 2021: 98.57%)



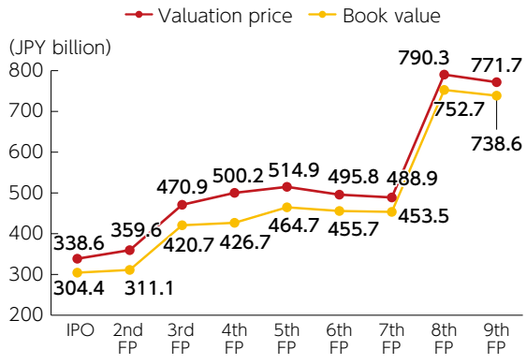
Historical Portfolio Diversification (panel output basis)



Remaining FIT period of projects-under-management (panel output basis)



Historical Valuation and Book Value (after depreciation)

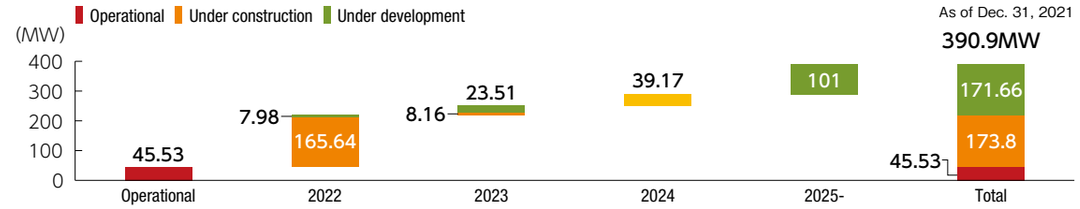


Sponsor Pipeline

Operational Start Year and Status of Sponsor Portfolio Assets

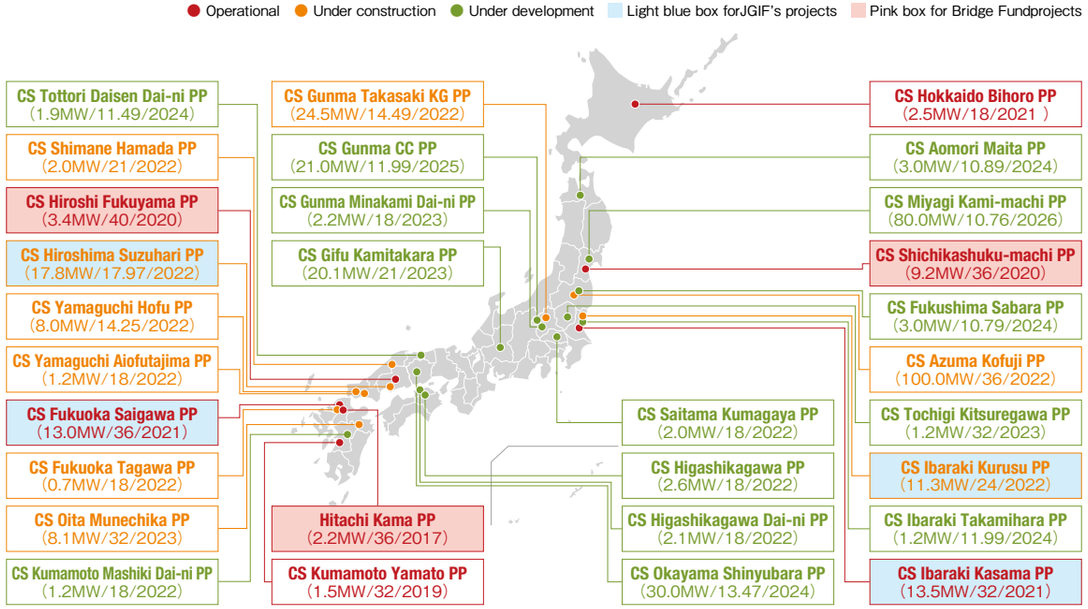
Target to achieve ¥100Bn in asset size in medium term by mainly acquiring assets from abundant sponsor pipeline

Operational and under construction	+	Under development	=	Total sponsor portfolio
16projects, 219.3MW		14projects, 171.6MW		30projects, 390.9MW



(Note) Include assets owned by Japan Green Infrastructure Fund (JGIF) and third-party bridge fund.

Sponsor Pipeline Map(Including Projects Owned by JGIF and Bridge fund)



Acquisition of assets from third-parties

- Acquired the asset shown below from a third-party source using a bridge fund. Given that preferential negotiation rights were obtained, CSIF will be able to acquire the power plant at an opportune timing
- In addition to acquire assets from the sponsor pipeline, CSIF intends to diversify property sources by using asset manager's proprietary network and acquiring from third-parties utilizing bridge funds.

PP Name	Location
Hitachi- Kama PP	Kama-shi, Fukuoka

Portfolio Overview

As of Dec. 31, 2021

S-01
CS Shibushi-shi PP

S-02
CS Isa-shi PP

S-03
CS Kasama-shi PP

S-04
CS Isa-shi Dai-ni PP

S-05
CS Yusui-cho PP

S-06
CS Isa-shi Dai-san PP

S-07
CS Kasama-shi Dai-ni PP

S-08
CS Hiji-machi PP

S-09
CS Ashikita-machi PP

S-10
CS Minamishimabara-shi PP (East & West)

S-11
CS Minano-machi PP

S-12
CS Kannami-cho PP

S-13
CS Mashiki-machi PP

S-14
CS Koriyama-shi PP

S-15
CS Tsuyama-shi PP

S-16
CS Ena-shi PP

S-17
CS Daisen-cho PP (A)/(B)

S-18
CS Takayama-shi PP

S-19
CS Misato-machi PP

S-20
CS Marumori-machi PP

S-21
CS Izu-shi PP

S-22
CS Ishikari Shinshinotsu-mura PP

S-23
CS Osaki-shi Kejonuma PP

S-24
CS Hiji-machi Dai-ni Power Plant

S-25
CS Ogawara-machi Power Plant

List of Power Plant Assets

No.	Project name	Location	Acquisition price (yen millions)	Price (yen millions)	Investment ratio (%)	Panel output (kW)
S-01	CS Shibushi-shi PP	Shibushi-shi, Kagoshima	540	492	0.64	1,224.00
S-02	CS Isa-shi PP	Isa-shi, Kagoshima	372	329	0.43	931.77
S-03	CS Kasama-shi PP	Kasama-shi, Ibaraki	907	922	1.20	2,127.84
S-04	CS Isa-shi Dai-ni PP	Isa-shi, Kagoshima	778	682	0.88	2,013.99
S-05	CS Yusui-cho PP	Aira-gun, Kagoshima	670	589	0.76	1,749.30
S-06	CS Isa-shi Dai-san PP	Isa-shi, Kagoshima	949	843	1.09	2,225.08
S-07	CS Kasama-shi Dai-ni PP	Kasama-shi, Ibaraki	850	802	1.04	2,103.75
S-08	CS Hiji-machi PP	Hayami-gun, Oita	1,029	910	1.18	2,574.99
S-09	CS Ashikita-machi PP	Ashikita-gun,Kumamoto	989	885	1.15	2,347.80
S-10	CS Minamishimabara-shi PP (East & West)	Shimabara-shi,Nagasaki	1,733	1,597	2.07	3,928.86
S-11	CS Minano-machi PP	Chichibu-gun, Saitama	1,018	1,019	1.32	2,448.60
S-12	CS Kannami-cho PP	Tagata-gun, Shizuoka	514	502	0.65	1,336.32
S-13	CS Mashiki-machi PP	Kamimashiki-gun, Kumamoto	19,751	19,524	25.30	47,692.62
S-14	CS Koriyama-shi PP	Koriyama-shi, Fukushima	246	228	0.30	636.00
S-15	CS Tsuyama-shi PP	Tsuyama-shi, Okayama	746	695	0.90	1,930.50
S-16	CS Ena-shi PP	Ena-shi, Gifu	757	742	0.96	2,124.20
S-17	CS Daisen-cho PP (A) (B)	Saihaku-gun, Tottori	10,447	9,641	12.49	27,302.40
S-18	CS Takayama-shi PP	Takayama-shi, Gifu	326	303	0.39	962.28
S-19	CS Misato-machi PP	Kodama-gun, Saitama	470	429	0.56	1,082.88
S-20	CS Marumori-machi PP	Igu-gun, Miyagi	850	772	1.00	2,194.50
S-21	CS Izu-shi PP	Izu-shi, Shizuoka	4,569	4,257	5.52	10,776.80
S-22	CS Ishikari Shinshinotsu-mura PP	Ishikari Shinshinotsu-mura	680	621	0.80	2,384.64
S-23	CS Osaki-shi Kejonuma PP	Osaki-shi Kejonuma	208	195	0.25	954.99
S-24	CS Hiji-machi Dai-ni Power Plant	Hayami-gun, Oita	27,851	27,485	35.62	53,403.66
S-25	CS Ogawara-machi Power Plant	Shibata-gun, Miyagi	2,745	2,703	3.50	7,515.35
Total			80,001	77,172	100.00	183,973.12

(Note) "Price" refers to the median project valuation report amount, which is the estimated values provided to us by PricewaterhouseCoopers Sustainability LLC (S01 – S18) and Kroll, LLC.(S-19 – S-25) in its project valuation reports as of December 31, 2021.

Financial Summary

Financial Soundness Attributed to Fixed Interest Rate Conversion / LTV Level is Under Stable Controls

2021年12月末日時点

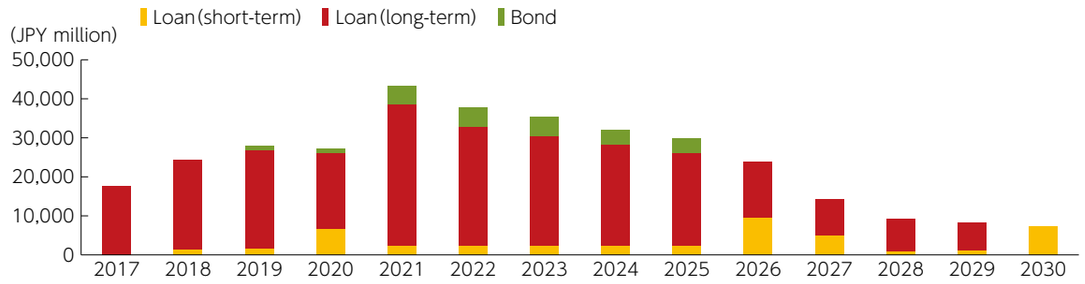
Fixed-to-variable interest rate ratio	DCSR	LTV
100.00%	2.11	51.75%

(Note) "Fixed-to-variable interest rate ratio" refers to the ratio of fixed interest rate liabilities to total interest-bearing liabilities at that time. Variable interest rate liabilities that were converted to fixed interest rate liabilities through interest rate swap agreements were deemed as fixed interest rate liabilities.

Credit rating

Rating Agency	Subject to Rating	Renewal Date	Rating	Outlook
Japan Credit Rating Agency, Ltd.	Long-term Issuer Rating	July 19, 2021	A	Stable
	The 1st Unsecured Investment Corporation Bond (only for Qualified Institutional Investors)	July 19, 2021	A	—
Rating and Investment Information, Inc.	Long-term Issuer Rating	August 12, 2021	A-	Stable

Historical Balance of Interest-bearing Debt



(Note) Amount after 2022 is based on the forecast as of February 14, 2021.

Information for Unitholders

Memorandum for Unitholders

End of fiscal period	June 30 and December 31
Dividend payment record date	June 30 and December 31 (payment is to be made within 3 months after the date)
Listed financial instruments exchange	Tokyo Stock Exchange (securities code: 9284)
Unitholders' meeting	Once a every 2 years
Public announcement newspaper	Nihon Keizai Shimbun (Nikkei)
Administrator of unitholder list etc.	Sumitomo Mitsui Trust Bank, Limited
[Contact information]	Izumi 2-8-4, Suginami-ku, Tokyo 168-0063 Sumitomo Mitsui Trust Bank, Limited TEL: 0120-782-031

1. Overview of Fund Operation

(1) Historical Operating Result of the Fund

Fiscal Period	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Operating Revenue (in JPY mln)	2,088	2,331	2,413	3,425	3,587
(Rental revenue of renewable energy power plants, out of operating revenue) (in JPY mln)	2,088	2,331	2,413	3,425	3,587
Operating Expense (in JPY mln)	1,391	1,490	1,555	1,966	2,242
(Expense for rental of renewable energy power plants, out of operating expense) (in JPY mln)	1,261	1,362	1,409	1,781	2,033
Operating Income / Loss (-) (in JPY mln)	696	840	858	1,459	1,344
Ordinary Income / Loss (-) (in JPY mln)	534	692	717	1,074	1,123
Net Income / Loss (-) (in JPY mln)	534	691	716	1,073	1,122
Unitholders' Capital (net) (Note 5) (in JPY mln)	21,349	21,039	20,876	39,317	38,960
Total number of units issued (unit)	231,190	231,190	231,190	386,656	386,656
Total Assets (in JPY mln)	50,069	49,132	49,052	84,299	80,633
(vs prior FP) (%)	8.9	(1.9)	(0.2)	71.9	(4.3)
Total Net Assets (in JPY mln)	21,883	21,731	21,592	40,391	40,082
(vs prior FP) (%)	(1.4)	(0.7)	(0.6)	87.1	(0.8)
Interest-bearing Liabilities (in JPY mln)	27,973	26,931	27,142	43,376	39,937
Net Asset Value per Unit (Base price) (in JPY)	94,656	93,998	93,397	104,463	103,665
Total Distribution (in JPY mln)	843	855	855	1,430	1,449
Distribution per Unit (in JPY)	3,650	3,700	3,700	3,700	3,750
(DPU excl. distribution in excess of earnings, in JPY)	2,310	2,992	3,099	2,776	2,902
(Distribution in excess of earnings per unit, in JPY)	1,340	708	601	924	848
Return on Assets (Note 4) (%)	1.1	1.4	1.5	1.6	1.4
(annualized ratio) (%)	2.2	2.8	2.9	3.2	2.7
Return on Capital (Note 4) (%)	2.4	3.2	3.3	3.5	2.8
(annualized ratio) (%)	4.8	6.4	6.6	7.0	5.5
Capital Ratio (Note 4) (%)	43.7	44.2	44.0	47.9	49.7
(vs prior FP) (%)	(4.6)	0.5	(0.2)	3.9	1.8
Distribution Payout Ratio (Note 4) (%)	100.0	100.0	100.0	100.0	100.0
[Other Information]					
Number of Days for FP (days)	184	182	184	181	184
Number of Invested Asset as of End of FP	21	21	23	25	25
Depreciation Expenses (in JPY mln)	839	911	913	1,258	1,451
CAPEX (in JPY mln)	6	10	44	107	56
Rental NOI (Note 4) (in JPY mln)	1,665	1,881	1,918	2,902	3,005
FFO (Funds from Operation) (Note 4) (in JPY mln)	1,374	1,604	1,630	2,332	2,574
FFO per Unit (Note 4) (in JPY)	5,943	6,938	7,053	6,031	6,658
Interest-bearing Liabilities Ratio (Note 4) (%)	55.9	54.8	55.3	51.5	49.5

(Note 1) Fiscal periods of the fund are six months for January 1 to June 30 and July 1 to December 31 every year.
(Note 2) Consumption taxes are not included in the operating revenue etc.
(Note 3) Unless otherwise described, the numbers are rounded down and the ratio are rounded up or down.
(Note 4) The calculation methods are as below.

Return on Assets	Ordinary Income / { (Total Assets at Beginning of FP + Total Assets at End of FP) / 2 } x 100
Return on Capital	Net Income / { (Net Assets at Beginning of FP + Net Assets at End of FP) / 2 } x 100
Capital Ratio	Net Assets at End of FP / Total Assets at End of FP x 100
Distribution Payout Ratio	DPU excl. distribution in excess of earnings / Net Income x 100
Rental NOI	Rental Revenue for renewable energy power generation facilities – Rental Expenses for renewable energy power generation facilities + Depreciation Expenses
FFO	Net Income + Depreciation Expenses + Profit from sales of renewable energy power generation facilities
FFO per unit	FFO / The number of total issued units
Interest-bearing Liabilities Ratio	Interest-bearing Liabilities / Total Assets x 100

(Note 5) Deductible amount for unitholders' capital is deducted from the gross amount of unitholders' capital.

(2) Overview of the Fiscal Period under Review

a. Brief History of Canadian Solar Infrastructure Fund

Canadian Solar Infrastructure Fund, Inc. (hereinafter referred to as “CSIF”) was established on May 18, 2017 with money invested of 150 million yen (1,500 units) by Canadian Solar Asset Management K.K. (hereafter referred to as the “Asset Manager”) as the founder under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951 including subsequent amendments; hereinafter referred to as the “Investment Trusts Act”). Registration with the Kanto Local Finance Bureau was completed on June 9, 2017 (registration number 127, filed with the Director of the Kanto Local Finance Bureau).

CSIF issued additional investment units (177,800 units) through a public offering on October 27, 2017, listed its investment units on Tokyo Stock Exchange Inc.’s (hereinafter referred to as the “Tokyo Stock Exchange”) Infrastructure Fund Market on October 30, 2017 (security code: 9284), and issued new investment units (2,890 units) through third-party allotment on November 28, 2017.

In addition, CSIF issued new investment units (46,667 units) through public offering on September 5, 2018 and issued new investment units (2,333 units) through third-party allotment on October 4, 2018.

CSIF then issued new investment units (151,500 units) through public offering on March 5, 2021 and issued new investment units (3,966 units) through third-party allotment on April 7, 2021.

As a result of the above, the total units issued at the end of the fiscal period under review (as of December 31, 2021) were 386,656 units.

b. Investment Environment

Real GDP in July-September 2021 declined by 0.9% quarter on quarter (3.6% on an annualized basis), as consumer spending and capital expenditures slumped on the double whammy of the spread of the Delta variant and supply constraints in the automotive sector, pushing GDP growth well into negative territory. In October-December 2021, the pace of growth appears to have picked up again as Japan somewhat belatedly joined other nations in learning to live with COVID-19 and the supply constraints in the automotive sector also started to ease and, as of January 21, 2022, high growth is forecast, with real GDP estimated to have grown by 6.6% on an annualized basis. However, the pace of growth is expected to slow again in January-March 2022. The rapid spread of the Omicron variant led to sharp decline in the flow of people during January, and a decline in consumer spending in January-March 2022 is considered inevitable. However, the experiences of other nations indicate that the downward pressure from the Omicron variant is not only fast-spreading but also quick to subside and the adverse effects are expected to have diminished considerably by March.

On the stock market in Japan, the Nikkei Stock Average entered an adjustment phase after reaching ¥30,467 on February 16, 2021, a phase which lasted into the second half of the year. However, after hitting ¥27,013, its lowest level in all of 2021, on August 20, 2021, the Nikkei Stock Average rallied sharply on September 3 after then Prime Minister Yoshihide Suga announced that he planned to quit, reaching ¥30,670, its highest level since August 1990 and its highest level in all of 2021, on September 14. The benchmark index subsequently took a downturn after Fumio Kishida won the LDP presidential election on September 29 and, after seesawing through to the end of the year, closed at ¥28,791 on December 30, its highest year-end close since 1989.

Meanwhile, the Infrastructure Fund Market saw growing interest among investors in the accelerated introduction of renewables as part of Japan's decarbonization measures and, as a result, the TSE Infrastructure Fund Index added to the significant gains made in the second half of 2020, continuing to climb through the first half of 2021 and reaching a record high of 1,201.71 points on June 9. However, in the second half of 2021, changes were more muted, with the index seesawing within a very narrow range. Then, at the beginning of November, the TSE Infrastructure Fund Index entered an adjustment phase, triggered by the announcement of public offerings by two infrastructure funds, standing at 1,117.22 points on December 30, which was slightly low compared with the end of the 2020.

"Curtailment," which is implemented by an electricity transmission and distribution business operator (Note 1) to adjust the supply-demand balance, was implemented by Kyushu Electric Power Transmission and Distribution Co., Inc., with respect to “renewable energy power generation facilities” (Note 2) held by CSIF, for one day in July, four days in September, 11 days in October, five days in November, and one day in December, totaling 22 days during the period under review. This was much less frequent than in the previous period.

Kyushu Electric Power Transmission and Distribution Co., Inc. revised its curtailment operation procedures from FY2021. When the number of days of curtailment for a business operator subject to the old rule (Note 3) is expected to exceed 30 days in any fiscal year, Kyushu Electric Power Transmission and Distribution Co., Inc. will now uniformly curtail (apply the same curtailment pattern (% curtailment of plant's rated output) to uniformly curtail by the hours and amount necessary) all business operators subject to the designated business operator rule (Note 3), whilst making full use of the maximum 30 days’ curtailment for business operators subject to the old rule. However, under the current curtailment operation procedures, business operators subject to the old rule are subject to so-called offline curtailment (curtailment of photovoltaic power generation facilities which have not installed a system for online curtailment (curtailment of photovoltaic power generation facilities with a remote output controller installed; the same will apply below); the same will apply below) and, since under this curtailment arrangement, the curtailment percentage is higher than for online curtailment applied to business operators subject to the no time limit, no compensation rule (Note 3), CSIF is encouraging power plants of business operators subject to the old rule to also shift to the online curtailment arrangement. All power plants in the Kyushu Electric Power jurisdiction owned by CSIF are subject to the 30-day rule for curtailment but they are gradually shifting to the online curtailment arrangement, and nine power plants, with the exception of CS Hiji-machi Dai-ni Power Plant, have completed the shift as of the end of the fiscal period under review.

Although some electric power companies in other regions have also disclosed policies relating to renewable energy curtailment, as of the end of the fiscal period under review, no further curtailments have been instituted.

On October 26, 2020, at the 203rd extraordinary session of the Diet, then Prime Minister Yoshihide Suga declared the goal of achieving overall zero emissions of greenhouse gases by 2050, that is the creation of a carbon neutral, decarbonized society. Since this declaration, activities for the realization of a decarbonized society have picked up pace, and with countries announcing their targets for slashing greenhouse gas emissions at a global climate summit held in April 2021, Japan also set a new 2030 reduction target of 46% compared with 2013 levels and announced that it would continue its challenge towards a 50% reduction. This represents a drastic increase from Japan's previous target of a 26% reduction.

Then, in June 2021, the Ministry of Economy, Trade and Industry published the FY2020 Annual Report on Energy (Japan's Energy White Paper 2021). This report includes an analysis under the heading "Changes in the situation concerning energy" to the effect that while more and more countries, including Japan, are declaring that they will become carbon neutral, private-sector enterprises are also stepping up initiatives for decarbonization, with an increase in ESG investment and diversification of investment strategies in the financial services sector and an increasing number of non-financial corporations signing up to the RE100 initiative or otherwise declaring that they will become carbon neutral. In some cases, companies are not only reducing greenhouse gas emissions associated with their own energy consumption but are also seeking to reduce the carbon footprint in their supply chains (and using carbon trading to achieve targets) and low-carbon energy access will affect competitiveness as a location for industry in the future (in competition between countries and competition between cities and regions). Under the heading "Path to becoming carbon neutral by 2050," the report also stresses that to realize a carbon neutral society, it is necessary to pursue decarbonization through expansion of low carbon resources in the electricity sector and through electrification, use of hydrogen for heating where electrification is impossible, and capture and reuse of any remaining CO2 (conversion to methane or synthetic fuel, etc.) in non-electricity sectors (industrial, consumer and transport sectors).

Furthermore, on October 22, 2021, the Cabinet approved the 6th Strategic Energy Plan. The 6th Strategic Energy Plan indicates the direction of energy policies for achievement of carbon neutrality by 2050 (goal declared in October 2020) along with the new target of reducing greenhouse gas emissions by 46% by FY2030 and trying to push the reduction as high as 50% (targets declared in April 2021) (Note 5). It positioned "overcoming issues in Japan’s energy supply-and-demand structure" as an important theme (Note 5) and committed to maximizing efforts to realize Japan’s goal of “S+3E” (the conventional three E’s of energy security, economic efficiency, and environmental protection, plus safety) (Note 5).

It states that a crucial part of energy policies for 2030 (Note 5) is to ensure, with “S+3E” as the basic premise, that renewables become a major power source and to focus on renewables as an overriding principle, encouraging maximum adoption whilst reducing the impact on Japanese people and seeking co-existence with local communities (Note 5). It goes on to list as specific initiatives (i) ensuring renewables are developed in the right places, coexisting with local communities, (ii) tightening project discipline, (iii) reducing costs and integrating renewables into the energy market, (iv) overcoming grid constraints, (v) rationalizing regulation and (vi) promoting the development of technologies (Note 5).

The ambitious new power-source composition for 2030 would be 36-38% for renewable energies (up from 22-24% in the current projected mix), 20-22% for nuclear power (unchanged), 20% for LNG (down from 27%); 19% for coal (down from 26%), and 2% for oil (down from 3%). The renewable energy mix would be 14-16% for solar power, 5% for wind power, 1% for geothermal power, 11% for hydroelectric power, and 5% for biomass.

Regarding legislation to promote the introduction of renewables, detailed designs (detailed design of FIP system, detailed design of system for nullifying approvals, reserve of demolishing costs for solar power generation facilities) of amendments to the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (hereinafter referred to as the "2020 Amendment to the Renewable Energy Special Measures Act") included in the Act to Partially Amend the Electricity Business Act and other Acts to Establish a Resilient and Sustainable Electricity Supply System (hereinafter referred to as the "Act for Establishing Energy Supply Resilience") have been examined by METI's various subcommittees and working groups, and progress has been made on the task of revising government and ministerial ordinances and METI notices based on the results of these examinations, in anticipation of enforcement in April 2022. For details of the risks which might arise as a result of such amendment, please refer to "I. Fund Information, 1. Fund Status, 3. Investment Risks" in the most recent annual securities report (submitted on September 29, 2021).

Given that the basic policy for the detailed design of a market-based FIP scheme is that the FIP scheme is a step towards creating a renewable energy market which is FIT-independent, each constituent element of the FIP scheme is designed as an intermediate step away from the FIT scheme towards competition with other power sources under the same conditions. However, since the photovoltaic power generation facilities, etc. currently owned by CSIF sell electricity under the FIT scheme and the basic framework for selling electricity under the FIT scheme now in operation will not change even after enactment of the 2020 Amendment to the Renewable Energy Special Measures Act, it is considered unlikely that the purchase prices of the photovoltaic power generation facilities of CSIF currently operating under the FIT scheme will be affected.

As for the detailed design of the system for nullifying approvals, it was proposed that nullification decisions should be made based on whether sufficient progress has been made at the point falling one year after the commercial operation date (COD) deadline. However, since the photovoltaic power generation facilities, etc. owned by CSIF have already started selling electricity under the FIT scheme, even when the abovementioned system for nullifying approvals is introduced, certification of the photovoltaic power generation facilities, etc. owned by CSIF will not be nullified as a result.

As for the system to ensure a reserve of demolishing costs for solar power generation facilities (Note 6), (i) this will apply to all FIT- and FIP-certified solar projects (includes multiple solar projects) of 10 kW or more. (ii) As for the reserve method, the 2020 Amendment to the Renewable Energy Special Measures Act stipulates that certified solar project developers must reserve the demolishing costs externally at the Organization for Cross-regional Coordination of Transmission Operators (OCCTO) through direct withholding of the required amounts from revenue, in principle. The 2020 Amendment to the Renewable Energy Special Measures Act stipulates that such external reserves for FIT-certified projects should be made via the utilities that are obliged to purchase the electricity. More specifically, it has been decided to design a system to enable the offset of demolishing cost reserves and purchasing costs between FIT-certified project developers and the utilities obliged to purchase the electricity and the offset of demolishing cost reserves and premiums between the utilities obliged to purchase the electricity and the body implementing the system. (iii) As for the level of reserves and the unit price, the estimated demolishing costs used to calculate the procurement price (in the case of the FIT scheme) and the reference price (in the case of the FIP scheme) will be set according to capacity utilization factor on a per 1 kWh of electricity supplied basis. The 2020 Amendment to the Renewable Energy Special Measures Act stipulates that the demolishing reserve base price (the amount to be reserved per 1 kWh of electricity supplied by the certified project developer) will be determined in line with the opinion of the Procurement Price Calculation Committee, and the Procurement Price Calculation Committee published its opinion on the demolishing reserve base price in light of the foregoing in "Opinion on procurement price for FY2021 (April 2021 to March 2022) and beyond" (released in January 2021). (iv) As for the timing and frequency of reserve deposits, demolishing costs must be reserved from 10 years prior to the end of the applicable procurement period or period for which the premium will be granted and are to be deposited upon payment of the procurement price payment or the granting of premiums (currently monthly). (v) Regarding the internal reserve of demolishing costs, which is permitted in exceptional cases, projects which satisfy stringent conditions in relation to long-term stable power generation and funding will also be permitted to reserve demolishing costs internally, in order to encourage long-term stable power generation projects and minimize demolishing due to replacement and suchlike. An entity reserving demolishing costs internally will be required to deposit them in a bank account which can only be used for specific purposes or record them in financial statements audited by an accountant who is obliged to disclose information to financial instruments exchanges, and it will also be required to secure them with insurance or a guarantee to increase the probability of funding demolishing. (vi) The mandatory reserve system will be introduced on July 1, 2022 and will gradually phased in according to the end date of the procurement period or grant period of each project. The Demolishing Reserve Guidelines which were subsequently published by the Agency for Natural Resources and Energy in September 2021 stated in regard to the scheme for so-called listed infrastructure funds that given the low risk of a change in project operator or cessation of a power generation project during the procurement period/delivery period, provided that the agreement between the investment corporation and the actual certified project operator can be verified to contain provisions indicating that the two parties are financially and organizationally bundled, for example, cash flows showing both parties use the same revenue from electricity sales to fund the project, restrictions on agreement cancellation by lessee, or restrictions on the use of power generation facilities or the land on which they are installed for other purposes, then the investment corporation will be deemed to be "another corporation considered to be financially and

organizationally bundled with the certified project operator." This means that a listed infrastructure fund which properly records demolishing costs in its financial statement and satisfies other given conditions will be permitted to secure funds by reserving demolishing costs internally.

While not part of the amendments under the Act for Establishing Energy Supply Resilience, discussions on adjustments to power producer-side charges (previously referred to as "power producer-side base charges") in relation to FIT energy sources were resumed at the Subcommittee on the Large-volume Introduction of the Renewable Energy and Next Generation Electric Network in May 2021.

Firstly, the figure indicated as the national average maximum amount payable per kWh of solar power produced due to the introduction of kWh charges was 0.97 yen/kWh compared to 1.45 yen/kWh, as previously indicated.

It was further indicated that, in the case of projects that had already been approved, the pass-through of charges to retail electric business operators (in the case of purchase by retail electric business operators) and equivalent adjustments (in the case of purchase by electricity transmission and distribution business operators) would reduce the amount payable by an average of 0.5 yen and that the average amount payable in real terms would be 0.47 yen.

Adjustment of the amount still payable after pass-through in the case of approved projects involving purchase by retail electric business operators was also discussed. However, it was decided that further deliberation was needed due to differing opinions on adjustment for solar power for projects during the period under consideration for profit margin analysis. CSIF will monitor the outcome of the discussions as these system changes could affect the assets owned by CSIF and any renewable energy power generation facilities, etc. CSIF may acquire in the future.

The government has also said that it will put forth a policy for developing a next generation electricity supply network to promote renewables and will develop a large-capacity electricity supply network to supply renewable energy to urban areas with high power consumption. Apparently due to be unveiled as part of the Clean Energy Strategy, which is to be prepared by June 2022, the policy assumes total planned investment of more than 2 trillion yen, together with a government-wide push to encourage private sector investment. It is said to list as priorities for development (i) the construction of a new electricity supply network linking Hokkaido and Tohoku/Tokyo, (ii) expansion in Kyushu and Chugoku, and (iii) expansion in Hokuriku, Kansai and Chubu. It has previously been pointed out that interconnection lines for power exchange between different regions are insufficient but the government has indicated that it plans to strengthen these, and to review regulation which currently gives thermal power plants priority to use the electricity supply network and increase allocations for renewables.

(Note 1) For the purposes of this report, the term "electricity transmission and distribution business operator" collectively refers to a "general electricity transmission and distribution business operator" defined in Article 2, Paragraph 1, Item 9 of the Electricity Business Act and "specified electricity transmission and distribution business operator" defined in Article 2, Paragraph 1, Item 13 of the Electricity Business Act.

(Note 2) For the purposes of this report, the term "renewable energy power generation facilities" refers to renewable energy power generation facilities (excludes facilities which fall into the category of real estate) defined in Article 2, Paragraph 3 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (Act No. 108 of 2011, including subsequent amendments; hereinafter referred to as the Renewable Energy Special Measures Act). For the purposes of this report, the term "renewable energy power generation facilities, etc." collectively refers to renewable energy power generation facilities as well as real estate, real estate leases (includes subleases) or land lease rights (hereinafter referred to as the “site, etc.”) necessary to install, maintain and operate renewable energy power generation facilities. Hereinafter, any mention of "renewable energy power generation facilities" or "renewable energy power generation facilities, etc." which CSIF is said to have invested in or acquired or operate shall also covers "renewable energy power generation facilities" and "renewable energy power generation facilities, etc." that support CSIF's assets under management. The same shall apply hereunder. Renewable energy may also hereinafter sometimes be referred to as "renewables."

(Note 3) Even when a grid-connected business operator has implemented the preventive measures defined in the Ordinance for Enforcement of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources (METI Ordinance No. 46 of 2012, including subsequent amendments), if the amount of electricity supplied by grid-connected business operators is expected to exceed demand, curtailment without compensation under the connection agreement may be required. The rule setting the maximum number of days of such curtailment at 30 days a year (360 hours a year in some cases) is referred to as the "30-day rule" (the rule setting a maximum of 360 hours per year is referred to as the "360-hour rule") and the 30-day rule and the 360-hour rule are referred to collectively as the "old rule" and business operators to which the old rule applies are referred to as "business operators subject to the old rule." The rule which allows grid-connected business operators to request curtailment without a time limit and without compensation is referred to as the "no time limit, no compensation rule" and the business operators to which the no time limit, no compensation rule applies are referred to as "business operators subject to the no time limit, no compensation rule." Prior to April 1, 2021, designated business operators (Note 4) were allowed to request curtailment without a time limit and without compensation only for renewable energy power generation facilities for which such business operators applied for connection once additional applications were no longer being accepted unless curtailment of output in excess of the curtailment limit under the old rule is implemented. This rule is referred to as the "designated business operator rule" and the business operators to which the designated business operator rule applies are referred to as "business operators subject to the designated business operator rule." The no time limit, no compensation rule has been applied to all renewable energy power generation facilities for which application for connection was made on or after April 1, 2021, and with effect April 1, 2021, the designated business operator rule transitioned to the no time limit, no compensation rule, and business operators subject to the designated business operator rule became business operators subject to the no time limit, no compensation rule. The same shall apply hereunder. Whilst the above information was published prior to April 1, 2021, the parts which relate to "business operators subject to the designated business operator rule" can also be considered applicable to "business operators subject to the no time limit, no compensation rule" from April 1, 2021 onwards.

(Note 4) The term "designated business operators" means designated business operators defined in Article 4, Paragraph 1, Item 11 of the Order for Enforcement of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities before the revision which came into force on April 1, 2021. The term refers to business operators designated by the Minister of Economy, Trade and Industry as business operators in relation to which unless specified contract business operators (as defined in Article 14, Paragraph 1, Item 1 of said Order) implement the type of curtailment of output in excess of the curtailment limit of certified power generation facilities (renewable energy power generation facilities pertaining to certification, which are limited to the type of the facilities designated by the Minister of Economy, Trade and Industry) which they are allowed to demand of specified contract applicants (as defined in Article 14, Paragraph 1, Item 2 of said Order) without compensation pursuant to the provision of Item 8 (a) of said Paragraph, specified contract business operators are expected to become unable to additionally accept the electricity generated by such renewable energy power generation facilities.

(Note 5) All the above information is based on the "Outline of the Basic Energy Plan" published by the Agency for Natural Resources and Energy in October 2021.

(Note 6) The term “photovoltaic power generation facilities” refers to renewable energy power generation facilities that generate electricity using sunlight as an energy source. The same shall apply hereunder. The term “photovoltaic power generation facilities” refers to photovoltaic power generation facilities as well as their site, etc. The same shall apply hereunder.

c. Management Performance

During the previous fiscal period, CSIF acquired two facilities (total panel output (Note 1) of 60.9 MW and total acquisition price (Note 2) of ¥30,590 million) on March 8, 2021, using part of the proceeds from a public offering and borrowings. As a result, it held a portfolio consisting of 25 facilities with a total panel output of 183.9 MW, a total acquisition price of ¥80,000 million, and a total price (Note 3) of ¥77,172 million as of the end of the previous fiscal period and became the largest operator among listed infrastructure funds.

During the fiscal period under review, CSIF did not acquire any new assets nor sell any of the assets it owns but it continued to be the largest operator among listed infrastructure funds as of the end of the fiscal period under review.

(Note 1) “Panel output” shall mean output calculated by multiplying rated output per solar cell module (meaning the maximum output stated in specifications of solar cell module) used in each solar energy facility by the total number of panels. "Total panel output" shall mean the total panel output rounded off to one decimal place. The same shall apply hereunder.

(Note 2) “Acquisition price” shall mean the sale and purchase price (excluding outsourcing service fees and other acquisition expenses related to the acquisition of assets, property-related taxes, urban planning taxes, consumption taxes and other fees and charges) described in the sale and purchase agreement pertaining to each asset acquired. It shall be rounded down to the nearest ten million yen. "Total acquisition price" is the total of the sale and purchase prices described in the sale and purchase agreements pertaining to each asset acquired. It shall be rounded down to the nearest ten million yen. The same shall apply hereunder.

(Note 3) “Price” shall mean the total intermediate value calculated by CSIF pursuant to paragraph 1, Article 41 of its Articles of Incorporation, using the appraised value as of December 31, 2021, in the range stated in the valuation report obtained from PricewaterhouseCoopers Sustainability LLC. for the renewable energy power generation facilities at power plants from S-01 through S-18. The appraised value of renewable energy power generation facilities at power plants from S-19 through S-25 is the total appraised value which is rounded down to the nearest million yen as of December 31, 2021, stated as the median in the valuation report obtained from Kroll K.K.

d. Overview of Financing

In the fiscal period under review, CSIF did not raise any additional funds, including the issuance of new investment units, borrowing of funds, and issuance of investment corporation bonds. However, during the fiscal period under review, CSIF made a repayment of ¥2,300 million by the consumption tax refund and a contractual repayment of ¥1,138 million at the end of the fiscal period under review, bringing the total amount of interest-bearing debt as of the end of the fiscal period under review to ¥39,937 million (amount of borrowings ¥35,037 million and amount of investment corporation bonds ¥4,900 million). Consequently, the ratio of interest- bearing debt to total assets (ratio of interest-bearing debt to total assets at the end of fiscal period) was 49.5%.

CSIF received a bond rating for its First Unsecured Investment Corporation Bonds from the following rating agency.

Rating status of CSIF as of the date of this document

Rating Agency	Rating Subject	Rating	Rating Outlook
Japan Credit Rating Agency, Ltd. (JCR)	The 1st Unsecured Investment Corporation Bond (Specified investment corporation bonds with limited inter-bond pari passu clause and for qualified institutional investors only)	A	—

CSIF received a credit rating from the following rating agency

Rating status of CSIF as of the date of this document

Rating Agency	Rating Subject	Rating	Rating Outlook
Rating and Investment Information, Inc. (R&I)	Long-term Issuer Rating	A-	Stable
Japan Credit Rating Agency, Ltd. (JCR)		A	Stable

e. Overview of Business Performance and Distributions

As a result of the management described above, the business results in the fiscal period under review included operating revenue of ¥3,587 million, operating income of ¥1,344, ordinary income of ¥1,123, and net income of ¥1,122 million.

With respect to distributions, the cash distribution policy set out in Article 47, Paragraph 1 of the Articles of Incorporation of the Investment Corporation stipulates that the amount of distributions shall exceed the amount equivalent to 90% of “profit available for distribution" as provided for in Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957 including subsequent amendments, hereinafter the “Special Measures Taxation Act").

In addition, distributions in excess of earnings are calculated on the premise that such distributions will generally be made in accordance with the cash distribution policy prescribed in CSIF’s Articles of Incorporation and the Asset Manager’s asset management guidelines formulated as part of its internal regulations.

CSIF intends to make cash distributions to its unitholders for each fiscal period from free cash flow (hereinafter referred to as “FCF”) generated by its renewable energy power generation facilities, in amounts determined in the following manner. The amount available for distribution shall be calculated by multiplying FCF, that is net cash flow (hereinafter referred to as “NCF”; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating NCF) to be vested to equity investors after deducting FCF payable to debt investors, by a certain ratio (hereinafter referred to as “payout ratio”; the payout ratio for the 9th fiscal period is 82.3%) determined by CSIF in light of the amount of NCF for each fiscal period.

At the same time, CSIF intends to maintain a stable level of distributions for the time being. In determining the payout ratio described above, CSIF will consider the forecast NCF for each fiscal period to realize that level of distributions.

In addition to a cash distribution within the range of profit, CSIF intends to make distributions in excess of earnings for each fiscal period on a continuous basis in order to realize this policy.

In developing its performance forecast (including any revisions thereof) for each fiscal period, in the case where NCF calculated from actual energy output in a fiscal period (hereinafter referred to as “actual NCF”; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating actual NCF) exceeds NCF projected for the fiscal period (hereinafter referred to as “projected NCF”; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating projected NCF) on the basis of an energy output value projected by professional specialists (P50) (Note) which forms the foundation for the calculation of rents with regard to the renewable energy power generation facilities, CSIF intends to limit the cash distribution to the amount of projected NCF multiplied by the payout ratio for said fiscal period.

On the other hand, in the case where actual NCF is equal to or below projected NCF, CSIF intends to make a cash distribution for the fiscal period at the amount of actual NCF multiplied by the payout ratio.

Based on the above policy, CSIF decided to make a distribution for the fiscal period under review of ¥1,449,960,000, equivalent to 82.3% of projected NCF for the period of ¥1,761,854,843, of which distribution in excess of earnings is ¥327,884,288 after deducting dividends for the period of ¥1,122,075,712. Dividend per investment unit is ¥3,750 for the fiscal period under review, an increase of ¥50 compared with the previous fiscal period.

(Note) For a definition of "energy output value projected by professional specialists (P50)" in the context of this report, please refer to "Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 30, 2022 (January 1, 2022 to June 30, 2022), Fiscal Period Ending December 31, 2022 (July 1, 2022 to December 31, 2022), and Fiscal Period Ending June 30, 2023 (January 1, 2023 to June 30, 2023).

(3) Summary of Public Offering etc.

Date	Event	Total number of investment units issued and outstanding (units)		Total amount of unitholders' capital (Note 1) (million yen)		Remarks
		Change	Balance	Change	Balance	
May 18, 2017	Establishment upon private placement	1,500	1,500	150	150	(Note 2)
October 27, 2017	Capital increase by public offering	177,800	179,300	16,891	17,041	(Note 3)
November 28, 2017	Capital increase by third-party allotment	2,890	182,190	274	17,315	(Note 4)
September 5, 2018	Capital increase by public offering	46,667	228,857	4,509	21,824	(Note 5)
September 14, 2018	Cash distribution in excess of earnings (refund of investment)	–	228,857	(147)	21,677	(Note 6)
October 4, 2018	Capital increase by third-party allotment	2,333	231,190	225	21,902	(Note 7)
March 14, 2019	Cash distribution in excess of earnings (refund of investment)	–	231,190	(420)	21,482	(Note 8)
September 17, 2019	Cash distribution in excess of earnings (refund of investment)	–	231,190	(133)	21,349	(Note 9)
March 17, 2020	Cash distribution in excess of earnings (refund of investment)	–	231,190	(309)	21,039	(Note 10)
September 15, 2020	Cash distribution in excess of earnings (refund of investment)	–	231,190	(163)	20,876	(Note 11)
March 5, 2021	Capital increase by public offering	151,500	382,690	18,106	38,982	(Note 12)
March 16, 2021	Cash distribution in excess of earnings (refund of investment)	–	382,690	(138)	38,843	(Note 13)
April 7, 2021	Capital increase by third-party allotment	3,966	386,656	474	39,317	(Note 14)
September 15, 2021	Cash distribution in excess of earnings (refund of investment)	-	386,656	(357)	38,960	(Note 15)

(Note 1) The amount of deduction of total amount of unitholders’ capital is deducted.
(Note 2) In the establishment of the CSIF, the investment units were issued at an issue price of ¥100,000 per unit. The party who applied for subscription of investment units upon the establishment is Canadian Solar Projects K.K.
(Note 3) New investment units were issued by public offering for the purpose of raising funds for the acquisition of specified assets at an issue price of ¥100,000 (issue value of ¥95,000) per unit.
(Note 4) New investment units were issued to Mizuho Securities Co., Ltd. by third-party allotment at an issue value of ¥95,000 per unit for the purpose of appropriation to a part of the funds for acquisition of specified assets or part of repayment of borrowings.
(Note 5) New investment units were issued by public offering for the purpose of raising funds for the acquisition of specified assets at an issue price of ¥102,180 (issue value of ¥96,625) per unit.
(Note 6) CSIF decided, at a meeting of its Board of Directors held on August 14, 2018, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥808 per unit for the second fiscal period (ended June 30, 2018), and began to pay it from September 14, 2018.
(Note 7) New investment units were issued to Mizuho Securities Co., Ltd. by third-party allotment at an issue price of ¥96,625 per unit for the purpose of appropriation to a part of the funds for acquisition of specified assets or a part of the funds for repayment of borrowings.
(Note 8) CSIF decided, at a meeting of its Board of Directors held on February 15, 2019, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥1,817 per unit for the third fiscal period (ended December 31, 2018), and began to pay it from March 14, 2019.
(Note 9) CSIF decided, at a meeting of its Board of Directors held on August 13, 2019, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥577 per unit for the forth fiscal period (ended June 30, 2019), and began to pay it from September 17, 2019.
(Note 10) CSIF decided, at a meeting of its Board of Directors held on February 13, 2020, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥1,340 per unit for the fifth fiscal period (ended December 31, 2019), and began to pay it from March 17, 2020.
(Note 11) CSIF decided, at a meeting of its Board of Directors held on August 14, 2020, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥708 per unit for the sixth fiscal period (ended June 30, 2020), and began to pay it from September 15, 2020.
(Note 12) New investment units were issued by public offering for the purpose of raising funds for the acquisition of specified assets at an issue price of ¥125,115 (issue value of ¥119,517) per unit.
(Note 13) CSIF decided, at a meeting of its Board of Directors held on February 17, 2021, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥601 per unit for the seventh fiscal period (ended December 31, 2020), and began to pay it from March 16, 2021.
(Note 14) New investment units were issued to Mizuho Securities Co., Ltd. by third-party allotment at an issue value of ¥119,517 per unit for the purpose of appropriation to a part of the funds for acquisition of specified assets or part of repayment of borrowings.
(Note 15) CSIF decided, at a meeting of its Board of Directors held on August 13, 2021, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥924 per unit for the eighth fiscal period (ended June 30, 2021), and began to pay it from September 15, 2021.

(4) Historical Distributions

Based on the unappropriated earnings of JPY 1,122 mln for the 9th FP, after a rounding down for the amount below JPY 1 million, JPY 1,122 million is the distribution for profit. Together with JPY 327 million of distribution in excess of earnings, as the result, JPY 3,750 is the DPU for the period.

I Period	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Unappropriated Earnings or Undisposed Losses (in JPY thousand)	534,065	691,823	716,565	1,073,432	1,122,287
Retained Earnings (in JPY thousand)	16	103	108	75	211
Total Distribution (in JPY thousand)	843,843	855,403	855,403	1,430,627	1,449,960
(DPU, in JPY)	(3,650)	(3,700)	(3,700)	(3,700)	(3,750)
Distribution for Profit (in JPY thousand)	534,048	691,720	716,457	1,073,357	1,122,075
(Distribution for Profit per Unit, in JPY)	(2,310)	(2,992)	(3,099)	(2,776)	(2,902)
Distribution in Excess of Earnings (in JPY thousand)	309,794	163,682	138,945	357,270	327,884
(Distribution in Excess of Earnings per Unit, in JPY)	(1,340)	(708)	(601)	(924)	(848)
Distribution from Allowance for Adjustment for Temporary Difference out of Distribution in Excess of Earnings (in JPY thousand)	–	–	–	–	–
(Distribution from Allowance for Adjustment for Temporary Difference per Unit out of Distribution in Excess of Earnings per Unit, in JPY)	(–)	(–)	(–)	(–)	(–)
Distribution as Redemption of Capital based on Tax Law (in JPY thousand)	309,794	163,682	138,945	357,270	327,884
(Distribution as Redemption of Capital based on Tax Law, in JPY)	(1,340)	(708)	(601)	(924)	(848)

(Note) The fund makes distribution in excess of earnings every FP based on its article 47.2. Based on this policy, JPY 327mln which is 22.6% of the depreciation expenses, JPY 1,452mln, is to be distributed as the distribution in excess of earnings. As a result, JPY 3,750 is DPU for the 9th FP.

(5) Operational Policy and Agendas in the Future

a. Outlook for the Future Management

When considering the outlook for the Japanese economy in FY2022, the status of the COVID-19 pandemic needs to be kept in mind. Japan, alongside other developed nations, made fast progress on its COVID-19 vaccine rollout in the second half of 2021 and, as of January 26, 2022, 78.7% of the population was fully vaccinated with the second dose, beating inoculation rates in the US and Europe. As a result, COVID-19 numbers were kept fairly low and, especially from October, Japan saw a burst of economic activity, fueling expectations for recovery. However, in early December, the highly transmissible Omicron variant emerged and has continued to spread all around the world. The situation in Japan has also been unpredictable since the beginning of January 2022, with case numbers rapidly rising. Assuming that the pandemic drags on, some degree of restriction on economic activity is inevitable until a significant proportion of the population has received a third dose of a COVID-19 vaccine. On the other hand, given that the risk of hospitalization has been found to be lower for the Omicron variant than for the previous Delta and other variants and that developments such as the vaccine rollout and the development of treatments are likely to bolster the economy's capacity to make a self-sustained recovery in Japan, there may be grounds to expect that the pace of recovery will be quicker than in 2021.

With respect to the environment surrounding photovoltaic power generation facilities that are included in renewable energy power generation facilities, as stated in “(I. Overview of the Fiscal Period under Review) b. Investment Environment” above, the 6th Basic Energy Plan states that a crucial part of energy policies for 2030 (Note) is to ensure, with “S+3E” as the basic premise, that renewables become a major power source and to focus on renewables as an overriding principle, encouraging maximum adoption whilst reducing the impact on Japanese people and seeking co-existence with local communities (Note), and the 2030 energy mix also indicates an increase in the share of renewables, setting ambitious forecasts.

On the other hand, as stated in “(I. Overview of the Fiscal Period under Review) b. Investment Environment” above, the curtailment that requires renewable energy power generation operators to temporarily suspend power generation through photovoltaic power generation facilities, etc. was resumed in areas under the jurisdiction of Kyushu Electric Power from October 2019. However, if renewable energy adoption continues to expand in the future, curtailment may also be implemented in other regions besides the Kyushu region such as the Tohoku region and the Chugoku region. At a meeting of experts (Working Group on Grid Connection of Electricity and Gas Basic Policy Subcommittee) held on December 15, 2021, the 2022 curtailment forecasts were announced. It was announced that, in the daytime light load season in April-May 2022, there was a higher possibility of implementation of curtailment in areas under the jurisdiction of the Tohoku Electric Power Network Co., Inc. the Hokkaido Electric Power Network, Inc., the Shikoku Electric Power Transmission & Distribution Company, Inc., and the Okinawa Electric Power Company, Inc. respectively. It was also announced that 10-500 kW commercial solar photovoltaic systems connected to the grid under the old rule, which were previously not subject to curtailment, will also become subject to curtailment. Furthermore, at a meeting of the Subcommittee on Mass Introduction of Renewable Energy and Next-Generation Electricity Networks held on December 24, 2021, the idea that lowering the minimum output of thermal power generation facilities would be an effective way to reduce the curtailment of renewables was put forward. Further consideration of this idea could potentially lead to solar power generation facilities that are currently subject to curtailment being less affected in the future.

Producer-side charges are being considered, as described in “b. Investment Environment” under “I. Overview of the Fiscal Period under Review” above, and details were previously expected to be determined by the end of the FY2021. However, the 6th Basic Energy Plan outlines the intention to continue considering the matter including the need for introduction, and based on the judgment that, given the circumstances, a decision is unlikely any time soon, the Subcommittee on Mass Introduction of Renewable Energy and Next-Generation Electricity Networks indicated, at its meeting on December 24, 2021, a plan to consider the nature of recovery of expenses relating to transmission and distribution including producer-side charges with FY2024 in mind and to aim to reach a conclusion during FY2022.

As described in “b. Investment Environment” under “I. Overview of the Fiscal Period under Review” above, with respect to the 2020 Amendment to the Renewable Energy Special Measures Act, progress is being made on the task of revising government and ministerial ordinances and METI notices, etc. based on consideration of detailed designs, such as the FIP system, system for nullifying approvals and reserve of demolishing costs for solar power generation facilities to be introduced under the Act, in anticipation of enactment of the amended Act in April 2022.

(Note) All the above information is based on the "Outline of the Basic Energy Plan" published by the Agency for Natural Resources and Energy in October 2021.

b. Future Management Policy

(i) External Growth Strategy

The Canadian Solar Group (Note 2), which is the Sponsor Group (Note 1) of CSIF, adopts the vertical integration model (Note3) that has developed mainly in the photovoltaic power generation market in Europe and America and applies this model in the global market, including Japan. CSIF considers that mutual cooperation between the Group and CSIF (engaging in investment in and management of photovoltaic power generation facilities) through the Sponsor Group based on the vertical integration model for the construction of the value chain (Note 4) with the aim of creating mutual value should lead to the enhancement of value for unitholders.

Specifically, CSIF intends to increase assets by utilizing the preferential trading negotiation right granted by the Sponsor Group and acquiring photovoltaic power generation facilities, etc. whose value is high from the pipelines of the Sponsor. Meanwhile, in February 2021, Canadian Solar Inc., one of the world's largest solar power companies and CSIF's Sponsor, partnered with Macquarie Advisory & Capital Solutions (hereinafter referred to as "Macquarie"), the advisory and capital markets arm of the Macquarie Group (ASX:MQG) to establish Japan Green Infrastructure Fund (hereinafter referred to as the "Fund"), which will invest in renewable energy power generation facilities, etc., in Japan. The Fund has secured ¥22 billion of committed capital from investors including Canadian Solar Inc. and Macquarie. This capital will be used to develop, build and accumulate new renewable energy power generation facilities, etc. in Japan. The Fund aims to catalyze large-scale investments within its six-year fund term. It will indirectly invest in renewable energy power generation facilities, etc. developed and operated by Canadian Solar Inc., CSIF's Sponsor, by holding a silent partnership equity interest (hereinafter referred to as the "Silent Partnership Equity Interest") in SPCs of the Sponsor Group which own said renewable energy power generation facilities, etc. These renewable energy power generation facilities, etc. will be subject to the preferential trading negotiation right granted to CSIF and the Asset Manager by the Sponsor in accordance with the Sponsor Support Agreement executed between CSIF, the Asset Manager and the Sponsor. In addition to said preferential trading negotiation right granted under the Sponsor Support Agreement, CSIF and the Asset Manager have also acquired a preferential trading negotiation right in relation to the Silent Partnership Equity Interest held by the Fund in accordance with an Agreement Concerning Granting of Preferential Negotiation Right executed on March 30, 2021 between CSIF, the Asset Manager and Green Infrastructure Fund Pte. Ltd., which is the General Partner of the Fund. CSIF believes that establishment of the Fund will accelerate the development of projects by the Sponsor, thereby enhancing the sponsor pipeline and opening up further opportunities for CSIF.

Furthermore, CSIF will strive to expand growth opportunities by aiming to actively acquire renewable energy power generation facilities, etc. held by persons other than the Sponsor Group by utilizing the Sponsor Group’s networks of brokers and power producers, in addition to the two pipeline routes described above.

(Note 1) The “Sponsor Group” collectively refer to (i) the Sponsor (Canadian Solar Projects K.K.), (ii) special purpose companies (they may be hereinafter referred to as “SPCs”), partnerships or other funds with which the Sponsor has entered into the asset management service agreement, (iii) Canadian Solar O&M Japan K.K. (it may be hereinafter referred to as “CSOM Japan”) and (iv) special purpose companies, partnerships or other funds in which the Sponsor or its subsidiary own a majority interest. The same shall apply hereunder.

(Note 2) The “Canadian Solar Group” refers to the consolidated corporate group with Canadian Solar Inc. (headquartered in Canada) at the top to which the Sponsor (Canadian Solar Projects K.K.) belongs. The same shall apply hereunder.

(Note 3) The term "vertically integrated model" means a business model where a broad spectrum of business domains across the photovoltaic market, ranging from the planning, manufacture and sales of solar modules to the provision of EPC and O&M services, are vertically integrated. The same shall apply hereunder.

(Note 4) The term "value chain" generally refers to a relationship between processes such that value is added cumulatively to products and services with each process.

(ii) Internal Growth Strategy

CSIF contracts out O&M (Note) to CSOM Japan, which is a wholly owned subsidiary of the Sponsor and provides O&M services in Japan, in principle, for the availability of homogeneous O&M services to the extent that CSIF considers essential. CSIF aims to thereby reduce the operational risk and operating costs by utilizing the services of CSOM Japan and placing a blanket order, respectively.

By making the most of the strong operation and management abilities realized by utilizing the global monitoring platform of the Sponsor Group in the early discovery and repair of failures of power generation facilities, CSIF will aim to reduce the loss of power generation. In addition, CSIF will implement the appropriate repair and facilities replacement of assets under management to maintain and enhance the value of assets from the medium- to long-term perspective, thereby securing stable revenue in the medium to long term.

In response to the curtailment implemented by Kyushu Electric Power described in “b. Investment Environment” under “I. Overview of the Fiscal Period under Review” above, CSIF performed construction for online curtailment at each of the power generation plants which are assets in its portfolio as did in the previous fiscal period. While all the power plants under Kyushu Electric Power's jurisdiction owned by CSIF are subject to the 30-day rule for curtailment, the above construction required for online curtailment allows a shift from the previous all-day curtailment to hourly curtailment and reduction of a decrease in lease revenue caused by curtailment. In addition, curtailment within a day is counted as one day regardless of the duration, which allows the power plant to respond to curtailment during peak demand for electricity while complying with the 30-day rule. As a result of further progress shifting to the online curtailment arrangement during the fiscal period under review, as of the end of the period, all photovoltaic power plants in Kyushu, with the exception of CS Hiji-machi Dai-ni Power Plant, have shifted to online curtailment (CS Hiji-machi Dai-ni Power Plant is expected to shift to online curtailment in February 2022).

As part of its activities related to the Principles for Responsible Investment (UN PRI), the Asset Manager signed the UN PRI on August 13, 2019, and established the Approach to the Principles for Responsible Investment at the end of December 2020 as the basic ESG policy of the Asset Manager. CSIF obtained the following evaluation from the Japan Credit Rating Agency, Ltd. (JCR) regarding the green finance

framework in order to apply for external certification and assessment for its ESG, and its evaluation was updated in May 2021.

Date of Evaluation	Evaluating Agency	Evaluation	
May 11, 2021	Japan Credit Rating Agency, Ltd.(JCR)	Overall	Green 1 (F)
		Greenness (use of proceeds)	g 1 (F)
		Management, Operation and Transparency	m 1 (F)

(Note) “O&M” is an abbreviation of Operation & Maintenance. The same shall apply hereunder.

CSIF has gradually concluded specified wholesale supplying agreements with respect to its assets, concluding an agreement with Zero Watt Power Inc. for CS Izu-shi Power Plant, CS Ōgawara-machi Power Plant, CS Daisen-cho Power Plant (A.B), CS Mashiki-machi Power Plant and CS Hiji-machi Dai-ni Power Plant, and an agreement with UPDATER Inc. for CS Marumori-machi Power Plant, thereby contributing to the sale of clean renewable energy produced at each power plant.

(iii) Financial Strategy

To secure stable revenue and ensure the growth of the managed assets of CSIF, CSIF will consider financing by public offering, borrowings and other means in the acquisition of new assets, while watching changes in the financing environment closely.

(6) Facts arising after the settlement of accounts

Not applicable

2. Overview of Fund Corporation

(1) Summary of Invested Capital

Fiscal Period	5th FP	6th FP	7th FP	8th FP	9th FP
	Dec. 31, 2019	Jun. 30, 2020	Dec. 31, 2020	Jun. 30, 2021	Dec. 31, 2021
The Number of Units Allowed for Issuance	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total Number of Units Issued	231,190	231,190	231,190	386,656	386,656
Unitholders’ Capital (net) (Note) (in JPY mln)	21,349	21,039	20,876	39,317	38,960
The Number of Unitholders	11,400	12,005	11,746	17,931	18,488

(Note) Deductible amount for unitholders’ capital is deducted from the gross amount of unitholders’ capital.

(2) Major Unitholders List

Major unitholders as of December 31, 2021 are as follows.

Name	The Number of Units Held	Ratio vs Total Number of Units Issued (%)
Canadian Solar Project K.K.	56,620	14.64
SSBTC CLIENT OMNIBUS ACCOUNT	10,757	2.78
THE BANK OF NEW YORK	10,303	2.66
THE BANK OF NEW YORK MELLON	8,923	2.30
THE BANK OF FUKUOKA LTD.	7,686	1.98
The Rokinren Bank	6,536	1.69
JP MORGAN CHASE BANK	6,100	1.57
Custody Bank of Japan, Ltd. (trust account)	4,338	1.12
THE HACHIJUNI BANK,LTD.	3,759	0.97
Yasukane Matsumoto	3,300	0.85
Total	118,322	30.60

(Note) The ratio is rounded down to two decimal places.

(3) Summary of Executives

a.Executive Director, Supervisory Director and Accounting Auditor

Position	Name	Concurrent Post	Compensation (in JPY thousand)
Executive Director	Tetsuya Nakamura	Representative director of Canadian Solar Asset Management K.K.	–
Supervisory Director	Takashi Handa	Zuken Inc. (Audit and Supervisory board member) IDERA Capital Management Ltd. (Audit and Supervisory board member) Polaris Holdings Co., Ltd. (Outside Director)	2,400
	Eriko Ishii	Shin Saiwai Law Office (Partner, Attorney at law) Itochu REIT Management Co., Ltd. (Member of the compliance committee)	
Accounting Auditor	Grant Thornton Taiyo LLC	–	10,000

(Note 1) Tetsuya Nakamura resigned from the executive director of CSIF as of January 1, 2022. On the same day, he resigned from the representative director of Canadian Asset Management K.K. Hiroshi Yanagisawa was appointed as the new executive director of CSIF and became it on January 1, 2022. On the same day, he became the representative director of Canadian Solar Asset Management K.K.

(Note 2) The executive directors and the supervisory director don’t hold the fund’s unit. Although the supervisory directors may be in a position of executive officer of any corporations other than stated above, there is no conflict of interest related to the fund.

(Note 3) Compensation for the accounting auditor includes compensation for the audit of English financial statements and assessment of value of specified assets.

(Note 4) Overview of details of directors and officers liability insurance policy

CSIF has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 116-3, Paragraph 1 of the Investment Trust Act. This insurance policy covers lossses arising from claims for damages borne by the insureds due to errors, breach of duty, nonfeasance, etc.The above-mentioned Ececutive Director and all of the Supervisory Directors are insureds under this insurance policy. However, CSIF does not cover losses and costs personally incurred by officers through criminal acts and intentional illigal activities, such as bribery, as a measure to ensure that the proper performance of duties of officers, etc.,is not impaired.The full amount of the insurance premium for this insurance policy excluding special contract is borne by CSIF.

b.The policy on decision of removal / not-to-reappoint of accounting auditor

Decision of removal is made based on Investment Trust Law and not-to-reappoint is made by unitholders’ meeting.

(4) Asset Manager, Asset Custodian and Administrator

Asset manager, asset custodian and administrator as of December 31, 2021 are as follows.

Delegated Position	Name
Asset Manager	Canadian Solar Asset Management K.K.
Asset Custodian	Sumitomo Mitsui Trust Bank, Ltd.
Administrator (Institutional Operation)	Sumitomo Mitsui Trust Bank, Ltd.
Administrator (Custodian of List of Unitholders)	Sumitomo Mitsui Trust Bank, Ltd.
Administrator (Accounting)	Ernst & Young Tax Co.
Administrator (Administration of Bond)	Mizuho Bank, Ltd.

3. Overview of Assets under Management

(1) Composition of Assets and Regional Diversification

Type of asset	Region (Note 1)	8th FP As of Jun. 30, 2021 Total Asset-Under-Management (AUM) ('000yen)(Note 2)	8th FP As of Jun. 30, 2021 % of total AUM (Note 3)	9th FP As of Dec. 31, 2021 Total Asset-Under-Management (AUM) ('000yen)(Note 2)	9th FP As of Dec. 31, 2021 % of total AUM (Note 3)
Solar energy facility	Hokkaido/Tohoku	956,863	1.1	935,613	1.2
	Kanto	2,243,053	2.7	2,187,152	2.7
	Tokai	5,409,653	6.4	5,292,208	6.6
	Chugoku/Shikoku	9,577,438	11.4	9,349,826	11.6
	Kyushu	20,092,588	23.8	19,634,457	24.4
Subtotal		38,279,597	45.4	37,399,257	46.4
Land	Hokkaido/Tohoku	48,970	0.1	48,970	0.1
	Kanto	648,591	0.8	648,591	0.8
	Tokai	63,309	0.1	63,309	0.1
	Chugoku/Shikoku	560,196	0.7	560,196	0.7
	Kyushu	3,184,875	3.8	3,184,875	3.9
Subtotal		4,505,944	5.3	4,505,944	5.6
Land lease	Hokkaido/Tohoku	69,417	0.1	69,417	0.1
	Kanto	59,197	0.1	59,197	0.1
	Tokai	331,596	0.4	331,596	0.4
	Chugoku/Shikoku	3,415	0.0	3,415	0.0
	Kyushu	692,471	0.8	692,471	0.9
Subtotal		1,156,098	1.4	1,156,098	1.4
Solar energy facility in trust	Hokkaido/Tohoku	3,504,543	4.2	3,453,966	4.3
	Kyushu	23,048,333	27.3	22,573,278	28.0
Subtotal		26,552,877	31.5	26,027,244	32.3
Land in trust	Hokkaido/Tohoku	116,748	0.1	116,748	0.1
	Kyushu	4,654,397	5.5	4,653,157	5.8
Subtotal		4,771,145	5.7	4,769,905	5.9
Solar energy facility etc.	Hokkaido/Tohoku	4,696,543	5.6	4,624,716	5.7
	Kanto	2,950,842	3.5	2,894,942	3.6
	Tokai	5,804,559	6.9	5,687,114	7.1
	Chugoku/Shikoku	10,141,050	12.0	9,913,438	12.3
	Kyushu	51,672,667	61.3	50,738,240	62.9
Subtotal		75,265,664	89.3	73,858,451	91.6
Solar energy facility etc. total		75,265,664	89.3	73,858,451	91.6
Saving/other assets		9,033,414	10.7	6,774,588	8.4
Asset total (2)		84,299,078	100.0	80,633,040	100.0

(Note 1) "Hokkaido/Tohoku" refers to Hokkaido, Aomori prefecture, Iwate prefecture, Akita prefecture, Miyagi prefecture, Fukushima prefecture and Yamagata prefecture. "Kanto" refers to Ibaraki prefecture, Tochigi prefecture, Gunma prefecture Tokyo, Kanagawa prefecture, Saitama prefecture, Chiba prefecture, Yamanashi prefecture, Nagano prefecture and Niigata prefecture. "Tokai" refers to Shizuoka prefecture, Aichi prefecture, Gifu prefecture, Mie prefecture, Toyama prefecture, Ishikawa prefecture and Fukui prefecture. "Chugoku/Shikoku" refers to Okayama prefecture, Hiroshima prefecture, Yamaguchi prefecture, Tottori prefecture, Shimane prefecture, Kagawa prefecture, Kochi prefecture, Tokushima prefecture and Ehime prefecture. "Kyushu" refers to Fukuoka prefecture, Oita prefecture, Miyazaki prefecture, Kagoshima prefecture, Kumamoto prefecture, Nagasaki prefecture, Saga prefecture and Okinawa prefecture. The same applies hereinafter.
(Note 2) AUM refers to the numbers in the balance sheet.
(Note 3) The ratios are rounded off to the first decimal place.

(2) Major Assets List

The summary of the top 10 assets as of December 31, 2021 is as follows.

Name of Infrastructure Asset	Rental Revenue Earned by Infrastructure Asset (in JPY thousand)	Book Value (in JPY mln)
CS Hiji-machi Dai-ni Power Plant	1,102,037	27,528
CS Mashiki-machi Power Plant	931,842	17,195
CS Daisen-cho Power Plant (A) and (B)	521,180	9,165
CS Izu-shi Power Plant	223,191	4,262
CS Ogawara-machi Power Plant	119,321	2,715
CS Minamishimabara-shi Power Plant (East) and (West)	83,227	1,475
CS Minano-machi Power Plant	38,832	930
CS Hiji-machi Power Plant	53,155	867
CS Ashikita-machi Power Plant	49,801	840
CS Isa-shi Dai-san Power Plant	47,701	807
Total	3,170,361	65,789

(Note) There are no events which have impacts on any investment decision on infrastructure assets.

(3) Details of Assets

a.Details of Power Generation Facilities

(i) Summary

Type of Asset		Beginning Balance	Increase in the FP	Decrease in the FP	Ending Balance	Accumulated Depreciation / Amortization	Accumulated Depreciation / Amortization For this FP	Net Ending Balance	Abstract
Property and Equipment	Structures	1,048	-	-	1,048	149	21	898	
	Machinery and Equipment	42,436	26	-	42,462	6,462	872	36,000	(Note 1)
	Tools, Furniture and Fixtures	590	-	-	590	90	11	500	
	Land	4,505	-	-	4,505	-	-	4,505	
	Construction in progress	6	-	6	-	-	-	-	(Note2)
	Structures in trust	6,559	18	10	6,567	198	121	6,368	(Note3)
	Machinery and Equipment in trust	20,260	11	-	20,271	703	422	19,567	(Note1)
	Tools, Furniture and Fixtures in trust	93	-	-	93	3	1	90	
	Land in trust	4,771	-	1	4,769	-	-	4,769	
	Total	80,272	56	18	80,310	7,608	1,451	72,702	
Intangible Assets	Leasehold Rights	1,156	-	-	1,156	-	-	1,156	
	Software	3	-	-	3	3	0	0	
	Total	1,160	-	-	1,160	3	0	1,156	

(Note1) The increase for the 9th FP is related to the capital expenditure of the power plants.
(Note2) The decrease for the 9th FP is related to the remodeling work for online curtailment for S-08 CS Hiji-machi Power Plant.
(Note3) The increase for the 9th FP is related to the re-installment of fences for S-22 CS Ishikari Shinshinotsu-mura Power Plant. And the decrease for the 9th FP is for the disposal of a part of the facilities of S-22 CS Ishikari Shinshinotsu-mura Power Plant.

(ii) Details of Power Generation Facilities

The following table provides summary information for the CSIF owned 25 renewable energy facilities as of December 31, 2021. The renewable energy facilities suite to the standards stipulated in each section in the Article 9, 3 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities.

Asset #	Category	Project Name	Location	Site Area (m^2) (Note 1)	PPA Purchase Price (yen/kwh) (Note 2)	Certification Date (Note 3)	FIT Term End (Note 4)
S-01	Solar Plant etc.	CS Shibushi-shi Power Plant	Shibushi-shi, Kagoshima	19,861	40	February 26, 2013	September 16, 2034
S-02	Solar Plant etc.	CS Isa-shi Power Plant	Isa-shi, Kagoshima	22,223	40	February 26, 2013	June 8, 2035
S-03	Solar Plant etc.	CS Kasama-shi Power Plant	Kasama-shi, Ibaraki	42,666 (Note 5)	40	January 25, 2013	June 25, 2035
S-04	Solar Plant etc.	CS Isa-shi Dai-ni Power Plant	Isa-shi, Kagoshima	31,818	36	October 2, 2013	June 28, 2035
S-05	Solar Plant etc.	CS Yusui-cho Power Plant	Aira-gun, Kagoshima	25,274	36	March 14, 2014	August 20, 2035
S-06	Solar Plant etc.	CS Isa-shi Dai-san Power Plant	Isa-shi, Kagoshima	40,736	40	February 26, 2013	September 15, 2035
S-07	Solar Plant etc.	CS Kasama-shi Dai-ni Power Plant	Kasama-shi, Ibaraki	53,275	40	January 25, 2013	September 23, 2035
S-08	Solar Plant etc.	CS Hiji-machi Power Plant	Hayami-gun, Oita	30,246	36	July 16, 2013	October 12, 2035
S-09	Solar Plant etc.	CS Ashikita-machi Power Plant	Ashikita-gun, Kumamoto	45,740	40	February 26, 2013	December 10, 2035
S-10	Solar Plant etc.	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West)	Minamishimabara-shi, Nagasaki	56,066	40	February 26, 2013 (East) February 26, 2013 (West)	December 24, 2035 (East) January 28, 2036 (West)
S-11	Solar Plant etc.	CS Minano-machi Power Plant	Chichibu-gun, Saitama	44,904	32	December 11, 2014	December 6, 2036
S-12	Solar Plant etc.	CS Kannami-cho Power Plant	Tagata-gun, Shizuoka	41,339	36	March 31, 2014	March 2, 2037
S-13	Solar Plant etc.	CS Mashiki-machi Power Plant	Kamimashiki-gun, Kumamoto	638,552 (Note 6)	36	October 24, 2013	June 1, 2037
S-14	Solar Plant etc.	CS Koriyama-shi Power Plan	Koriyama-shi, Fukushima	30,376 (Note 5)	32	February 27, 2015	September 15, 2036
S-15	Solar Plant etc.	CS Tsuyama-shi Power Plant	Tsuyama-shi, Okayama	31,059	32	September 26, 2014	June 29, 2037
S-16	Solar Plant etc.	CS Ena-shi Power Plant	Aza Ochise, Kusumi, Osashima-cho, Ena-shi, Gifu	37,373	32	February 24, 2015	September 12, 2037
S-17	Solar Plant etc.	CS Daisen-cho Power Plant (A) and (B)	Aza Magoese, Toyofusa, Daisen-cho, Saihaku-gun, Tottori (A) Aza Kamikawara, Toyofusa, Daisen-cho, Saihaku-gun, Tottori (B)	452,760 (Note 7)	40	February 22, 2013 (A) February 28, 2013 (B)	August 9, 2037
S-18	Solar Plant etc.	CS Takayama-shi Power Plant	Shingumachi, Takayama-shi, Gifu	16,278 (Note 5)	32	January 30, 2015	October 9, 2037
S-19	Solar Plant etc.	CS Misato-machi Power Plant	Misato-machi, Kodama-gun, Saitama	25,315	32	January 6, 2015	March 26, 2037
S-20	Solar Plant etc.	CS Marumori-machi Power Plant	Marumori-machi, Igu-gun, Miyagi	65,306 (Note 8)	36	February 28, 2014	July 12, 2038
S-21	Solar Plant etc.	CS Izu-shi Power Plant	Ono Aza Okubo, Izu-shi, Shizuoka	337,160	36	March 31, 2014	November 29, 2038
S-22	Solar Plant etc.	CS Ishikari Shinshinotsu-mura Power Plant	Ishikari-gun Hokkaido	42,977	24	November 18, 2016	July 15, 2039
S-23	Solar Plant etc.	CS Osaki-shi Kejonuma Power Plant	Osaki-shi Miyagi	26,051	21	March 27, 2018	July 21, 2039
S-24	Solar Plant etc.	CS Hiji-machi Dai-ni Power Plant	Hayami-gun Oita	1,551,086 (Note 9)	40	March 15, 2013	October 30, 2039
S-25	Solar Plant etc.	CS Ogawara-machi Power Plant	Shibata-gun Miyagi	123,624 (Note 10)	32	February 9, 2015	March 19, 2040

(Note 1) The numbers for “Site Area” are not equal to the real situation but based on the ground register.
(Note 2) “PPA Purchase Price” are the FIT price for each power plant (excluding consumption tax amount).
(Note 3) “Certification Date” denotes the date each power plant is certified under the article 6.1 of Revision Renewable Energy Special Measures Law. Each power plant is deemed being certified on April 1, 2017 based on the article 9.3 of Revision Renewable Energy Special Measures Law.
(Note 4) “FIT Term End” denotes the date 20-year FIT term ends for each power plant.
(Note 5) The number for the site area is only for the power plant’s land ownership rights and doesn’t include easement.
(Note 6) The number for the site area is only for the power plant’s and self-employed line’s land ownership rights and doesn’t include easement.
(Note 7) The number for the site area is only for the power plant’s and self-employed line’s surface rights and doesn’t include leasehold rights and easement.
(Note 8) The number for the site area is only for the power plant’s, self-employed line’s and access road’s surface rights and doesn’t include easement.
(Note 9) The number for the site area is only for the power plant’s, self-employed line’s and access road’s land ownership rights and leasehold rights and does not include easement.
(Note 10) The number for the site area is only for the power plant’s, self-employed line’s and access road’s surface rights and leasehold rights and does not include easement.

Asset #	Project name	Certified Operator	PPA company	Acquisition Price (million yen) (Note 1) (Note 5)	Fiscal period end valuation (million yen) (Note 2)	Appraisal value of solar plants (million yen)(Note 3) (upper:solar energy facility) (lower:land)	Fiscal period end book value (million yen) (Note 4)
S-01	CS Shibushi-shi Power Plant	Tida Power01 G.K	Kyushu Electric Power Co., Inc	540	492	356 136	475
S-02	CS Isa-shi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	372	329	307 21	319
S-03	CS Kasama-shi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	907	922	690 232	803
S-04	CS Isa-shi Dai-ni Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	778	682	645 36	658
S-05	CS Yusui-cho Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	670	589	561 27	569
S-06	CS Isa-shi Dai-san Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	949	843	790 52	807
S-07	CS Kasama-shi Dai-ni Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	850	802	757 44	712
S-08	CS Hiji-machi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	1,029	910	874 35	867
S-09	CS Ashikita-machi Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	989	885	851 34	840
S-10	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West)	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	1,733	1,597	1,525 72	1,475
S-11	CS Minano-machi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	1,018	1,019	769 250	930
S-12	CS Kannami-cho Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	514	502	462 39	492
S-13	CS Mashiki-machi Power Plan	Tida Power01 G.K.	Kyushu Electric Power Co., Inc.	19,751	19,524	15,914 3,610	17,195
S-14	CS Koriyama-shi Power Plan	Tida Power01 G.K..	Tohoku Electric Power Co., Inc.	246	228	177 50	225
S-15	CS Tsuyama-shi Power Plan	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	746	695	557 138	748
S-16	CS Ena-shi Power Plant	Tida Power01 G.K..	The Chubu Electric Power Co., Inc.	757	742	706 35	630
S-17	CS Daisen-cho Power Plant (A) and (B)	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	10,447	9,641	9,320 321	9,165
S-18	CS Takayama-shi Power Plant	Tida Power01 G.K.	The Chubu Electric Power Co., Inc.	326	303	243 60	301
S-19	CS Misato-machi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	470	429	311 118	447
S-20	CS Marumori-machi Power Plant	Tida Power01 G.K.	Tohoku Electric Power Co., Inc.	850	772	756 16	776
S-21	CS Izu-shi Power Plant	Tida Power01 G.K.	TEPCO Power Grid, Incorporated	4,569	4,257	4,038 219	4,262
S-22	CS Ishikari Shinshinotsu-mura Power Plant	Tida Power01 G.K.	Hokkaido Electric Power Network Co., Ltd.	680	621	556 64	692
S-23	CS Osaki-shi Kejonuma Power Plant	Tida Power01 G.K.	Tohoku Electric Power Network Co.,Inc.	208	195	155 39	214
S-24	CS Hiji-machi Dai-ni Power Plant	LOHAS ECE 2 G.K.	Kyushu Electric Power Co., Inc.	27,851	27,485	22,665 4,820	27,528
S-25	CS Ogawara Power Plant	Tida Power01 G.K. (Note 6)	Tohoku Electric Power Network Co.,Inc.	2,745	2,703	2,657 45	2,715
Total				80,001	77,172	66,651 10,520	73,858

(Note 1) Acquisition price is based on acquisition price as described in the purchase agreements (excluding acquisition expenses related to the payment of outsourcing service fees, property-related taxes, taxes on depreciable assets, urban planning taxes, consumption taxes and other fees).
(Note 2) For S-01 to S-18, the fiscal period end valuation is the median amount that the Investment Corporation calculated in accordance with Article 41, paragraph 1 of the CSIF's Articles of Incorporation based on the range of valuation provided to us by PricewaterhouseCoopers Sustainability LLC and, for S-19 to S-25, the fiscal period end valuation is based on the median amount which is the total sum of the median amount rounded down to the nearest million yen stated in the valuation provided to us by Kroll International Inc.
(Note 3) On the upper row of the appraisal value of solar plants, an assumed appraisal value of solar energy projects that is obtained by deducting the real estate appraisal value calculated by Daiwa Real Estate Appraisal Co., Ltd. from the appraised value at the end of the period in (Note 2) above is stated, and on the lower row, an amount stated in the real estate appraisal report prepared by Daiwa Real Estate Appraisal Co., Ltd. is stated. Real estate includes its superficies right.
(Note 4) Fiscal period end book value is the book value of solar energy as of December 31, 2021.
(Note 5) The acquisition price of CS Mashiki Power Plant had reduced in the amount of 332 million yen on December 16, 2020, back from the signing date of the Property Purchase Agreement.
(Note 6) Tida Power45 G.K. which was the certified operator for CS Ogawara Power Plant was merged into Tida Power01 G.K. as the surviving company on December 14, 2021.

(iii) Operational Results of Each Power Generation Facilities (in JPY thousand)

S-01 CS Shibushi-shi Power Plant

Accounting Item	5th FP	6th FP	7th FP	8th FP	9th FP
	Fr. Jul. 1, 2019 To Dec. 31, 2019	Fr. Jan. 1, 2020 To Jun. 30, 2020	Fr. Jul. 1, 2020 To Dec. 31, 2020	Fr. Jan. 1, 2021 To Jun. 30, 2021	Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	19,137	18,632	19,039	18,536	18,941
Variable rent linked to actual output(Note)	6,288	3,336	7,573	4,326	7,353
Incidental income	–	–	–	3	–
Total of rental revenue of renewable energy power plant (A)	25,426	21,968	26,612	22,866	26,295
Expense for rental of renewable energy power plant					
Tax and public dues	2,254	1,917	1,916	1,626	1,626
(Property tax)	2,254	1,917	1,916	1,626	1,626
(Other and public dues)	–	–	–	–	–
Other expenses	2,296	2,273	2,114	3,078	3,089
(Management entrustment expenses)	2,073	2,014	1,872	2,870	2,155
(Repair and maintenance costs)	–	–	–	–	696
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	223	258	241	207	237
(Land rent)	–	–	–	–	–
(Other rental expense)	–	–	–	–	–
Depreciation expenses	9,472	9,472	9,472	9,486	9,539
(Structures)	457	457	457	466	468
(Machinery and equipment)	8,973	8,973	8,973	8,978	9,029
(Tools, furniture and fixtures)	41	41	41	41	41
Total of expense for rental of renewable energy power plant (B)	14,023	13,663	13,503	14,191	14,254
Income from rental of renewable energy power plant (A-B)	11,402	8,304	13,109	8,675	12,040

(Note)As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc.,, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

S-02 CS Isa-shi Power Plant

Accounting Item	5th FP	6th FP	7th FP	8th FP	9th FP
	Fr. Jul. 1, 2019 To Dec. 31, 2019	Fr. Jan. 1, 2020 To Jun. 30, 2020	Fr. Jul. 1, 2020 To Dec. 31, 2020	Fr. Jan. 1, 2021 To Jun. 30, 2021	Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	14,171	14,240	14,099	14,168	14,027
Variable rent linked to actual output(Note)	5,230	3,522	6,502	4,105	5,006
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	19,402	17,763	20,602	18,273	19,034
Expense for rental of renewable energy power plant					
Tax and public dues	1,698	1,452	1,456	1,244	1,244
(Property tax)	1,698	1,452	1,456	1,244	1,244
(Other and public dues)	–	–	–	–	–
Other expenses	2,635	2,617	2,241	2,726	2,619
(Management entrustment expenses)	1,655	1,610	1,247	1,610	1,610
(Repair and maintenance costs)	–	–	–	144	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	182	209	197	173	193
(Land rent)	797	797	797	797	797
(Other rental expense)	–	–	–	–	18
Depreciation expenses	7,837	7,837	7,837	7,837	7,837
(Structures)	256	256	256	256	256
(Machinery and equipment)	7,563	7,563	7,563	7,563	7,563
(Tools, furniture and fixtures)	17	17	17	17	17
Total of expense for rental of renewable energy power plant (B)	12,170	11,907	11,535	11,808	11,701
Income from rental of renewable energy power plant (A-B)	7,232	5,855	9,066	6,465	7,332

(Note)As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc.,, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

S-03 CS Kasama-shi Power Plant

Accounting Item	5th FP	6th FP	7th FP	8th FP	9th FP
	Fr. Jul. 1, 2019 To Dec. 31, 2019	Fr. Jan. 1, 2020 To Jun. 30, 2020	Fr. Jul. 1, 2020 To Dec. 31, 2020	Fr. Jan. 1, 2021 To Jun. 30, 2021	Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	29,399	35,147	29,249	34,968	29,099
Variable rent linked to actual output	10,669	14,795	10,743	13,110	10,580
Incidental income	173	94	–	–	306
Total of rental revenue of renewable energy power plant (A)	40,242	50,038	39,992	48,079	39,985
Expense for rental of renewable energy power plant					
Tax and public dues	3,792	3,283	3,284	2,848	2,848
(Property tax)	3,792	3,283	3,284	2,848	2,848
(Other and public dues)	–	–	–	–	–
Other expenses	3,255	3,322	3,461	3,698	3,594
(Management entrustment expenses)	2,879	2,887	3,051	2,914	3,189
(Repair and maintenance costs)	–	–	–	426	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	375	434	409	357	405
(Land rent)	–	–	–	–	–
(Other rental expense)	–	–	–	–	–
Depreciation expenses	14,462	14,462	14,462	14,462	14,483
(Structures)	324	324	324	324	345
(Machinery and equipment)	14,104	14,104	14,104	14,104	14,104
(Tools, furniture and fixtures)	33	33	33	33	33
Total of expense for rental of renewable energy power plant (B)	21,510	21,068	21,207	21,009	20,926
Income from rental of renewable energy power plant (A-B)	18,731	28,970	18,784	27,069	19,059

S-04 CS Isa-shi Dai-ni Power Plant

Accounting Item	5th FP	6th FP	7th FP	8th FP	9th FP
	Fr. Jul. 1, 2019 To Dec. 31, 2019	Fr. Jan. 1, 2020 To Jun. 30, 2020	Fr. Jul. 1, 2020 To Dec. 31, 2020	Fr. Jan. 1, 2021 To Jun. 30, 2021	Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	29,263	29,360	29,114	29,210	28,965
Variable rent linked to actual output(Note)	9,522	5,875	12,142	9,139	10,513
Incidental income(Note)	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	38,785	35,235	41,257	38,350	39,478
Expense for rental of renewable energy power plant					
Tax and public dues	3,768	3,232	3,230	2,769	2,769
(Property tax)	3,768	3,232	3,230	2,769	2,769
(Other and public dues)	–	–	–	–	–
Other expenses	4,695	4,653	5,646	4,815	4,861
(Management entrustment expenses)	2,756	2,659	3,677	2,893	2,893
(Repair and maintenance costs)	–	–	–	–	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	347	402	378	330	376
(Land rent)	1,590	1,590	1,590	1,590	1,590
(Other rental expense)	–	–	–	–	–
Depreciation expenses	16,457	16,457	16,457	16,457	16,481
(Structures)	306	306	306	306	306
(Machinery and equipment)	16,109	16,109	16,109	16,109	16,133
(Tools, furniture and fixtures)	41	41	41	41	41
Total of expense for rental of renewable energy power plant (B)	24,920	24,343	25,334	24,042	24,111
Income from rental of renewable energy power plant (A-B)	13,864	10,892	15,922	14,307	15,366

(Note)As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc.,, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

S-05 CS Yusui-cho Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	23,476	26,691	23,356	26,555	23,236
Variable rent linked to actual output(Note)	8,425	3,444	10,114	4,925	8,331
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	31,901	30,135	33,471	31,480	31,568
Expense for rental of renewable energy power plant					
Tax and public dues	3,274	2,805	2,802	2,396	2,396
(Property tax)	3,274	2,805	2,802	2,396	2,396
(Other and public dues)	–	–	–	–	–
Other expenses	4,438	4,508	4,510	4,828	4,822
(Management entrustment expenses)	2,850	2,869	2,893	2,966	2,966
(Repair and maintenance costs)	–	–	–	289	242
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	324	375	353	308	350
(Land rent)	1,263	1,263	1,263	1,263	1,263
(Other rental expense)	–	–	–	–	–
Depreciation expenses	14,260	14,263	14,263	14,269	14,269
(Structures)	595	598	598	605	605
(Machinery and equipment)	13,429	13,429	13,429	13,429	13,429
(Tools, furniture and fixtures)	235	235	235	235	235
Total of expense for rental of renewable energy power plant (B)	21,972	21,577	21,575	21,494	21,487
Income from rental of renewable energy power plant (A-B)	9,928	8,558	11,895	9,986	10,080

(Note)As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc.,, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

S-06 CS Isa-shi Dai-san Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	34,851	35,514	34,673	35,332	34,496
Variable rent linked to actual output(Note)	11,728	7,953	15,683	9,647	13,204
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	46,579	43,467	50,357	44,979	47,701
Expense for rental of renewable energy power plant					
Tax and public dues	4,494	3,876	3,874	3,323	3,323
(Property tax)	4,494	3,876	3,874	3,323	3,323
(Other and public dues)	–	–	–	–	–
Other expenses	5,459	6,385	5,829	5,583	6,704
(Management entrustment expenses)	3,042	3,907	3,377	3,185	4,253
(Repair and maintenance costs)	–	–	–	–	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	379	441	414	361	414
(Land rent)	2,036	2,036	2,036	2,036	2,036
(Other rental expense)	–	–	–	–	–
Depreciation expenses	19,799	19,861	19,861	19,861	19,896
(Structures)	290	290	290	290	290
(Machinery and equipment)	19,458	19,520	19,520	19,520	19,554
(Tools, furniture and fixtures)	51	51	51	51	51
Total of expense for rental of renewable energy power plant (B)	29,753	30,123	29,564	28,767	29,924
Income from rental of renewable energy power plant (A-B)	16,826	13,343	20,792	16,211	17,776

(Note)As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc.,, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

S-07 CS Kasama-shi Dai-ni Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	29,013	34,720	28,865	34,543	28,718
Variable rent linked to actual output	9,415	14,507	9,763	14,194	10,587
Incidental income	–	–	–	80	–
Total of rental revenue of renewable energy power plant (A)	38,429	49,227	38,629	48,817	39,305
Expense for rental of renewable energy power plant					
Tax and public dues	4,304	3,689	3,688	3,161	3,161
(Property tax)	4,304	3,689	3,688	3,161	3,161
(Other and public dues)	–	–	–	–	–
Other expenses	5,606	5,695	5,802	5,621	5,928
(Management entrustment expenses)	2,847	2,881	3,012	2,878	3,145
(Repair and maintenance costs)	–	–	–	–	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	362	417	393	346	387
(Land rent)	2,396	2,395	2,396	2,396	2,396
(Other rental expense)	–	–	–	–	–
Depreciation expenses	17,604	17,604	17,604	17,604	17,604
(Structures)	247	247	247	247	247
(Machinery and equipment)	17,314	17,314	17,314	17,314	17,314
(Tools, furniture and fixtures)	42	42	42	42	42
Total of expense for rental of renewable energy power plant (B)	27,514	26,988	27,095	26,387	26,695
Income from rental of renewable energy power plant (A-B)	10,914	22,238	11,534	22,429	12,610

S-08 CS Hiji-machi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	37,482	37,757	37,292	37,564	37,101
Variable rent linked to actual output(Note)	10,943	10,964	19,144	13,581	16,053
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	48,426	48,721	56,436	51,146	53,155
Expense for rental of renewable energy power plant					
Tax and public dues	5,166	4,427	4,426	3,798	3,798
(Property tax)	5,166	4,427	4,426	3,798	3,798
(Other and public dues)	–	–	–	–	–
Other expenses	5,547	5,524	5,894	6,221	6,729
(Management entrustment expenses)	3,578	3,391	3,881	4,185	4,719
(Repair and maintenance costs)	–	–	–	–	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	456	530	498	433	498
(Land rent)	1,512	1,602	1,514	1,602	1,512
(Other rental expense)	–	–	–	–	–
Depreciation expenses	22,070	22,070	22,070	22,031	22,119
(Structures)	835	835	835	835	835
(Machinery and equipment)	21,120	21,120	21,120	21,120	21,205
(Tools, furniture and fixtures)	114	114	114	75	78
Total of expense for rental of renewable energy power plant (B)	32,783	32,021	32,390	32,051	32,647
Income from rental of renewable energy power plant (A-B)	15,643	16,700	24,045	19,095	20,507

(Note)As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc.,, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

S-09 CS Ashikita-machiPower Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	37,113	35,571	36,924	35,390	36,736
Variable rent linked to actual output(Note)	11,371	8,257	16,265	11,664	13,064
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	48,484	43,829	53,190	47,054	49,801
Expense for rental of renewable energy power plant					
Tax and public dues	4,876	4,167	4,164	3,559	3,559
(Property tax)	4,876	4,167	4,164	3,559	3,559
(Other and public dues)	–	–	–	–	–
Other expenses	5,880	6,154	5,723	6,001	6,187
(Management entrustment expenses)	3,758	3,964	3,562	3,900	3,900
(Repair and maintenance costs)	–	–	–	–	132
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	440	509	479	419	473
(Land rent)	1,681	1,681	1,681	1,681	1,681
(Other rental expense)	–	–	–	–	–
Depreciation expenses	20,216	20,216	20,216	20,216	20,216
(Structures)	1,441	1,441	1,441	1,441	1,441
(Machinery and equipment)	18,523	18,523	18,523	18,523	18,523
(Tools, furniture and fixtures)	252	252	252	252	252
Total of expense for rental of renewable energy power plant (B)	30,973	30,539	30,104	29,777	29,963
Income from rental of renewable energy power plant (A-B)	17,511	13,290	23,086	17,276	19,837

(Note)As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc.,, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

S-10 CS Minamishimabara-shi Power Plant (East and West)

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	65,521	63,166	65,188	62,844	64,856
Variable rent linked to actual output(Note)	20,782	13,840	29,488	32,632	18,371
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	86,303	77,006	94,677	95,476	83,227
Expense for rental of renewable energy power plant					
Tax and public dues	8,530	7,296	7,296	6,244	6,244
(Property tax)	8,530	7,296	7,296	6,244	6,244
(Other and public dues)	–	–	–	–	–
Other expenses	10,188	10,118	10,791	10,536	12,049
(Management entrustment expenses)	5,317	5,127	5,840	5,515	5,515
(Repair and maintenance costs)	–	–	–	152	1,580
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	611	731	689	606	693
(Land rent)	4,260	4,260	4,260	4,260	4,260
(Other rental expense)	–	–	–	–	–
Depreciation expenses	35,224	35,224	35,224	35,333	35,397
(Structures)	739	739	739	751	755
(Machinery and equipment)	34,235	34,235	34,235	34,333	34,392
(Tools, furniture and fixtures)	248	248	248	248	248
Total of expense for rental of renewable energy power plant (B)	53,943	52,639	53,311	52,114	53,691
Income from rental of renewable energy power plant (A-B)	32,360	24,367	41,366	43,361	29,535

(Note)As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc.,, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

S-11 CS Minano-machi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	30,688	35,340	30,533	35,160	30,378
Variable rent linked to actual output	2,722	10,950	8,305	11,831	8,454
Incidental income	–	–	3	–	–
Total of rental revenue of renewable energy power plant (A)	33,410	46,291	38,842	46,993	38,832
Expense for rental of renewable energy power plant					
Tax and public dues	4,410	3,816	3,816	3,330	3,330
(Property tax)	4,410	3,816	3,816	3,330	3,330
(Other and public dues)	–	–	–	–	–
Other expenses	3,750	3,700	4,909	4,234	5,468
(Management entrustment expenses)	3,313	3,195	4,432	3,814	4,117
(Repair and maintenance costs)	–	–	–	–	875
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	436	504	476	420	475
(Land rent)	–	–	–	–	–
(Other rental expense)	–	–	–	–	–
Depreciation expenses	16,132	16,132	16,198	16,211	16,211
(Structures)	766	766	766	766	766
(Machinery and equipment)	15,366	15,366	15,432	15,445	15,445
(Tools, furniture and fixtures)	–	–	–	–	–
Total of expense for rental of renewable energy power plant (B)	24,293	23,649	24,924	23,776	25,010
Income from rental of renewable energy power plant (A-B)	9,117	22,642	13,918	23,217	13,821

S-12 CS Kannami-cho Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	18,456	19,545	18,363	19,446	18,270
Variable rent linked to actual output	5,304	7,872	5,528	10,093	6,460
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	23,760	27,418	23,892	29,539	24,731
Expense for rental of renewable energy power plant					
Tax and public dues	2,398	2,069	2,068	1,785	1,785
(Property tax)	2,398	2,069	2,068	1,785	1,785
(Other and public dues)	–	–	–	–	–
Other expenses	3,976	3,641	5,371	3,696	5,416
(Management entrustment expenses)	2,108	1,743	1,832	1,809	1,809
(Repair and maintenance costs)	–	–	1,653	–	1,700
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	213	243	231	207	227
(Land rent)	1,654	1,654	1,654	1,678	1,678
(Other rental expense)	–	–	–	–	–
Depreciation expenses	9,662	9,662	9,662	9,662	9,662
(Structures)	380	380	380	380	380
(Machinery and equipment)	9,226	9,226	9,226	9,226	9,226
(Tools, furniture and fixtures)	55	55	55	55	55
Total of expense for rental of renewable energy power plant (B)	16,036	15,373	17,101	15,144	16,864
Income from rental of renewable energy power plant (A-B)	7,724	12,045	6,790	14,395	7,866

S-13 CS Mashiki-machi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	688,283	661,218	684,807	657,875	681,331
Variable rent linked to actual output(Note)	232,965	167,511	309,385	313,693	250,511
Incidental income	–	–	–	–	9
Total of rental revenue of renewable energy power plant (A)	921,249	828,729	994,192	971,569	931,851
Expense for rental of renewable energy power plant					
Tax and public dues	96,650	83,464	83,464	70,993	70,993
(Property tax)	96,650	83,464	83,464	70,993	70,993
(Other and public dues)	–	–	–	–	–
Other expenses	69,026	72,071	90,501	80,396	80,682
(Management entrustment expenses)	60,428	62,244	81,080	70,219	71,329
(Repair and maintenance costs)	176	98	226	1,996	248
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	8,356	9,662	9,148	8,121	9,051
(Land rent)	65	65	45	58	53
(Other rental expense)	–	–	–	–	–
Depreciation expenses	344,350	344,512	337,941	338,234	338,300
(Structures)	3,531	3,531	3,551	3,562	3,626
(Machinery and equipment)	332,916	333,078	326,487	326,769	326,770
(Tools, furniture and fixtures)	7,902	7,902	7,902	7,902	7,902
Total of expense for rental of renewable energy power plant (B)	510,027	500,048	511,906	489,624	489,976
Income from rental of renewable energy power plant (A-B)	411,221	328,680	482,286	481,945	441,875

(Note)As a result of the failure of the wheeling charge calculation system of Kyushu Electric Power Co., Inc.,, CSIF determined variable rent linked to actual output for December 2019 based on output measured by the monitoring system. CSIF has received notification of purchased electricity for December 2019 and, therefore, adjusted variable rent linked to actual output on February 10, 2020 to ensure that the variable rent linked to actual output is based on the purchased electricity stated in the notification of purchased electricity. CSIF judges that the impact of this adjustment on income in the current fiscal period is insignificant.

S-14 CS Koriyama-shi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	7,580	8,044	7,542	8,003	7,504
Variable rent linked to actual output	3,317	4,396	2,880	4,148	3,481
Incidental income	2	–	2	–	2
Total of rental revenue of renewable energy power plant (A)	10,901	12,441	10,426	12,152	10,988
Expense for rental of renewable energy power plant					
Tax and public dues	1,296	1,171	1,168	1,007	1,007
(Property tax)	1,296	1,171	1,168	1,007	1,007
(Other and public dues)	–	–	–	–	–
Other expenses	1,590	965	952	940	945
(Management entrustment expenses)	876	837	829	829	829
(Repair and maintenance costs)	600	–	–	–	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	113	128	122	110	115
(Land rent)	–	–	–	–	–
(Other rental expense)	–	–	–	–	–
Depreciation expenses	4,191	4,191	4,191	4,191	4,191
(Structures)	327	327	327	327	327
(Machinery and equipment)	3,864	3,864	3,864	3,864	3,864
(Tools, furniture and fixtures)	–	–	–	–	–
Total of expense for rental of renewable energy power plant (B)	7,077	6,328	6,311	6,138	6,143
Income from rental of renewable energy power plant (A-B)	3,823	6,113	4,114	6,013	4,844

S-15 CS Tsuyama-shi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	22,141	24,321	21,796	24,053	21,685
Variable rent linked to actual output	12,485	12,548	10,929	12,364	8,308
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	34,627	36,869	32,725	36,417	29,994
Expense for rental of renewable energy power plant					
Tax and public dues	3,898	3,469	3,468	3,020	3,020
(Property tax)	3,898	3,469	3,468	3,020	3,020
(Other and public dues)	–	–	–	–	–
Other expenses	2,982	3,482	4,820	3,706	3,338
(Management entrustment expenses)	2,704	3,206	3,078	2,820	2,820
(Repair and maintenance costs)	–	–	1,746	650	253
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	278	275	261	233	264
(Land rent)	–	–	3	3	–
(Other rental expense)	–	–	–	–	–
Depreciation expenses	12,949	12,914	13,061	13,084	13,144
(Structures)	376	376	376	376	376
(Machinery and equipment)	12,267	12,232	12,380	12,403	12,462
(Tools, furniture and fixtures)	304	304	304	304	304
Total of expense for rental of renewable energy power plant (B)	19,829	19,866	21,350	19,811	19,502
Income from rental of renewable energy power plant (A-B)	14,797	17,003	11,375	16,606	10,492

S-16 CS Ena-shi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	25,611	26,266	25,482	26,133	25,353
Variable rent linked to actual output	12,203	14,224	13,562	12,678	11,281
Incidental income	–	–	4	–	–
Total of rental revenue of renewable energy power plant (A)	37,815	40,490	39,050	38,812	36,635
Expense for rental of renewable energy power plant					
Tax and public dues	4,344	3,776	3,776	3,216	3,216
(Property tax)	4,344	3,776	3,776	3,216	3,216
(Other and public dues)	–	–	–	–	–
Other expenses	4,007	4,288	4,552	4,233	4,666
(Management entrustment expenses)	2,801	2,772	3,051	2,912	2,912
(Repair and maintenance costs)	–	–	–	122	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	273	314	298	265	300
(Land rent)	933	1,202	1,202	933	1,454
(Other rental expense)	–	–	–	–	–
Depreciation expenses	14,510	14,510	14,510	14,510	14,510
(Structures)	589	589	589	589	589
(Machinery and equipment)	13,823	13,823	13,823	13,823	13,823
(Tools, furniture and fixtures)	97	97	97	97	97
Total of expense for rental of renewable energy power plant (B)	22,862	22,576	22,839	21,960	22,393
Income from rental of renewable energy power plant (A-B)	14,953	17,914	16,211	16,851	14,241

S-17 CS Daisen-cho Power Plant (A and B)

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	385,926	326,253	383,529	324,605	381,584
Variable rent linked to actual output	121,853	268,083	132,857	261,534	139,595
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	507,780	594,336	516,387	586,140	521,180
Expense for rental of renewable energy power plant					
Tax and public dues	59,954	51,761	51,760	44,701	44,701
(Property tax)	59,954	51,761	51,760	44,701	44,701
(Other and public dues)	–	–	–	–	–
Other expenses	53,885	54,604	61,710	55,972	61,085
(Management entrustment expenses)	36,009	36,036	43,616	37,972	43,044
(Repair and maintenance costs)	–	–	–	567	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	5,019	5,812	5,500	4,876	5,486
(Land rent)	12,856	12,755	12,593	12,555	12,554
(Other rental expense)	–	–	–	–	–
Depreciation expenses	214,565	214,567	214,567	214,567	214,568
(Structures)	4,902	4,905	4,905	4,905	4,905
(Machinery and equipment)	208,879	208,879	208,879	208,879	208,880
(Tools, furniture and fixtures)	782	782	782	782	782
Total of expense for rental of renewable energy power plant (B)	328,404	320,933	328,038	315,241	320,354
Income from rental of renewable energy power plant (A-B)	179,375	273,403	188,349	270,898	200,825

S-18 CS Takayama-shi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	9,720	11,019	9,671	10,963	9,622
Variable rent linked to actual output	4,625	4,989	3,829	5,009	3,173
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	14,346	16,009	13,501	15,973	12,796
Expense for rental of renewable energy power plant					
Tax and public dues	2,006	1,762	1,762	1,545	1,545
(Property tax)	2,006	1,762	1,762	1,545	1,545
(Other and public dues)	–	–	–	–	–
Other expenses	1,393	1,399	1,391	2,886	1,554
(Management entrustment expenses)	1,269	1,256	1,256	1,285	1,285
(Repair and maintenance costs)	–	–	–	1,480	132
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	123	142	135	120	136
(Land rent)	–	–	–	–	–
(Other rental expense)	–	–	–	–	–
Depreciation expenses	5,496	5,496	5,496	5,496	5,496
(Structures)	344	344	344	344	344
(Machinery and equipment)	5,139	5,139	5,139	5,139	5,139
(Tools, furniture and fixtures)	12	12	12	12	12
Total of expense for rental of renewable energy power plant (B)	8,895	8,657	8,649	9,928	8,595
Income from rental of renewable energy power plant (A-B)	5,450	7,351	4,851	6,044	4,201

S-19 CS Misato-machi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	13,005	15,300	12,939	15,223	12,873
Variable rent linked to actual output	5,628	7,717	6,517	7,134	6,079
Incidental income	–	–	–	5	–
Total of rental revenue of renewable energy power plant (A)	18,634	23,017	19,457	22,363	18,953
Expense for rental of renewable energy power plant					
Tax and public dues	–	2,646	2,644	2,310	2,310
(Property tax)	–	2,646	2,644	2,310	2,310
(Other and public dues)	–	–	–	–	–
Other expenses	2,230	1,506	1,743	3,173	1,680
(Management entrustment expenses)	1,315	1,315	1,562	1,439	1,499
(Repair and maintenance costs)	645	–	–	1,572	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	269	190	181	161	180
(Land rent)	–	–	–	–	–
(Other rental expense)	–	–	–	–	–
Depreciation expenses	7,594	7,594	7,594	7,595	7,600
(Structures)	176	176	176	176	176
(Machinery and equipment)	7,345	7,345	7,345	7,345	7,345
(Tools, furniture and fixtures)	72	72	72	73	77
Total of expense for rental of renewable energy power plant (B)	9,824	11,747	11,982	13,079	11,591
Income from rental of renewable energy power plant (A-B)	8,809	11,270	7,474	9,283	7,362

S-20 CS Marumori-machi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	28,330	32,391	28,188	32,228	28,045
Variable rent linked to actual output	6,694	15,151	9,260	15,833	10,675
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	35,025	47,542	37,448	48,061	38,721
Expense for rental of renewable energy power plant					
Tax and public dues	–	5,430	5,430	4,696	4,696
(Property tax)	–	5,430	5,430	4,696	4,696
(Other and public dues)	–	–	–	–	–
Other expenses	8,421	8,059	13,151	8,215	9,100
(Management entrustment expenses)	2,666	2,797	2,666	2,865	2,865
(Repair and maintenance costs)	346	–	5,227	118	1,040
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	782	526	513	487	464
(Land rent)	4,625	4,735	4,744	4,744	4,729
(Other rental expense)	–	–	–	–	–
Depreciation expenses	17,036	17,036	17,051	17,059	17,059
(Structures)	503	503	503	503	503
(Machinery and equipment)	16,297	16,297	16,313	16,320	16,320
(Tools, furniture and fixtures)	234	234	234	234	234
Total of expense for rental of renewable energy power plant (B)	25,457	30,526	35,633	29,971	30,855
Income from rental of renewable energy power plant (A-B)	9,567	17,016	1,815	18,090	7,865

S-21 CS Izu-shi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	17,832	155,813	141,970	155,030	141,256
Variable rent linked to actual output	8,750	84,936	69,450	95,230	81,935
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	26,582	240,749	211,420	250,260	223,191
Expense for rental of renewable energy power plant					
Tax and public dues	–	28,252	28,252	24,329	24,329
(Property tax)	–	28,252	28,252	24,329	24,329
(Other and public dues)	–	–	–	–	–
Other expenses	3,786	21,398	27,011	27,016	25,817
(Management entrustment expenses)	2,270	12,770	12,770	13,018	13,018
(Repair and maintenance costs)	–	–	–	1,342	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	–	–	3,525	1,483	1,606
(Land rent)	1,516	8,628	10,716	11,173	11,192
(Other rental expense)	–	–	–	–	–
Depreciation expenses	15,742	87,776	87,776	87,776	87,776
(Structures)	732	4,082	4,082	4,082	4,082
(Machinery and equipment)	14,755	82,271	82,271	82,271	82,271
(Tools, furniture and fixtures)	254	1,421	1,421	1,421	1,421
Total of expense for rental of renewable energy power plant (B)	19,528	137,427	143,039	139,122	137,922
Income from rental of renewable energy power plant (A-B)	7,053	103,322	68,380	111,138	85,268

S-22 CS Ishikari Shinshinotsu-mura Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	–	–	11,916	21,501	20,656
Variable rent linked to actual output	–	–	3,884	5,871	18,948
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	–	–	15,800	27,373	39,605
Expense for rental of renewable energy power plant					
Tax and public dues	–	–	–	3,102	1,741
(Property tax)	–	–	–	3,102	1,741
(Other and public dues)	–	–	–	–	–
Other expenses	–	–	2,639	13,562	14,206
(Management entrustment expenses)	–	–	2,074	4,211	3,111
(Repair and maintenance costs)	–	–	–	8,426	10,127
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	–	–	165	324	366
(Land rent)	–	–	–	–	0
(Trust fees)	–	–	400	600	600
(Other rental expense)	–	–	–	–	–
Depreciation expenses	–	–	6,533	12,493	12,665
(Structures)	–	–	–	–	–
(Machinery and equipment)	–	–	–	–	–
(Tools, furniture and fixtures)	–	–	–	–	–
(Structures in trust)	–	–	186	361	274
(Machinery and equipment in trust)	–	–	6,326	12,091	12,350
(Tools, furniture and fixtures in trust)	–	–	20	40	40
Total of expense for rental of renewable energy power plant (B)	–	–	9,173	29,158	28,614
Income from rental of renewable energy power plant (A-B)	–	–	6,627	(1,784)	10,990

S-23 CS Osaki-shi Kejonuma Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	–	–	3,741	6,756	6,288
Variable rent linked to actual output	–	–	1,510	3,764	2,600
Incidental income	–	–	–	–	18
Total of rental revenue of renewable energy power plant (A)	–	–	5,251	10,520	8,907
Expense for rental of renewable energy power plant					
Tax and public dues	–	–	–	745	745
(Property tax)	–	–	–	745	745
(Other and public dues)	–	–	–	–	–
Other expenses	–	–	1,054	2,602	1,804
(Management entrustment expenses)	–	–	793	2,182	1,372
(Repair and maintenance costs)	–	–	–	–	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	–	–	61	120	131
(Land rent)	–	–	–	–	–
(Trust fees)	–	–	200	300	300
(Other rental expense)	–	–	–	–	–
Depreciation expenses	–	–	1,858	3,600	3,600
(Structures)	–	–	–	–	–
(Machinery and equipment)	–	–	–	–	–
(Tools, furniture and fixtures)	–	–	–	–	–
(Structures in trust)	–	–	155	300	300
(Machinery and equipment in trust)	–	–	1,691	3,276	3,276
(Tools, furniture and fixtures in trust)	–	–	12	23	23
Total of expense for rental of renewable energy power plant (B)	–	–	2,913	6,948	6,150
Income from rental of renewable energy power plant (A-B)	–	–	2,337	3,571	2,756

S-24 CS Hiji-machi Dai-ni Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	–	–	–	626,679	827,769
Variable rent linked to actual output	–	–	–	140,790	274,268
Incidental income	–	–	–	–	60
Total of rental revenue of renewable energy power plant (A)	–	–	–	767,470	1,102,098
Expense for rental of renewable energy power plant					
Tax and public dues	–	–	–	–	–
(Property tax)	–	–	–	–	–
(Other and public dues)	–	–	–	–	–
Other expenses	–	–	–	54,998	96,779
(Management entrustment expenses)	–	–	–	43,276	60,195
(Repair and maintenance costs)	–	–	–	–	–
(Utilities expenses)	–	–	–	3,505	5,589
(Insurance expenses)	–	–	–	–	18,645
(Land rent)	–	–	–	5,791	8,700
(Trust fees)	–	–	–	2,400	3,600
(Other rental expense)	–	–	–	24	49
Depreciation expenses	–	–	–	301,767	475,055
(Structures)	–	–	–	–	–
(Machinery and equipment)	–	–	–	–	–
(Tools, furniture and fixtures)	–	–	–	–	–
(Structures in trust)	–	–	–	72,436	114,009
(Machinery and equipment in trust)	–	–	–	228,681	360,024
(Tools, furniture and fixtures in trust)	–	–	–	649	1,021
Total of expense for rental of renewable energy power plant (B)	–	–	–	356,765	571,835
Income from rental of renewable energy power plant (A-B)	–	–	–	410,704	530,262

S-25 CS Ogawara-machi Power Plant

Accounting Item	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019	6th FP Fr. Jan. 1, 2020 To Jun. 30, 2020	7th FP Fr. Jul. 1, 2020 To Dec. 31, 2020	8th FP Fr. Jan. 1, 2021 To Jun. 30, 2021	9th FP Fr. Jul. 1, 2021 To Dec. 31, 2021
Rental revenue of renewable energy power plant					
Basic rent	–	–	–	76,700	85,867
Variable rent linked to actual output	–	–	–	38,313	33,454
Incidental income	–	–	–	–	–
Total of rental revenue of renewable energy power plant (A)	–	–	–	115,013	119,321
Expense for rental of renewable energy power plant					
Tax and public dues	–	–	–	–	–
(Property tax)	–	–	–	–	–
(Other and public dues)	–	–	–	–	–
Other expenses	–	–	–	8,682	18,320
(Management entrustment expenses)	–	–	–	7,164	10,308
(Repair and maintenance costs)	–	–	–	–	–
(Utilities expenses)	–	–	–	–	–
(Insurance expenses)	–	–	–	–	1,626
(Land rent)	–	–	–	117	4,285
(Trust fees)	–	–	–	1,400	2,100
(Other rental expense)	–	–	–	–	–
Depreciation expenses	–	–	–	34,482	54,273
(Structures)	–	–	–	–	–
(Machinery and equipment)	–	–	–	–	–
(Tools, furniture and fixtures)	–	–	–	–	–
(Structures in trust)	–	–	–	4,186	6,589
(Machinery and equipment in trust)	–	–	–	29,766	46,850
(Tools, furniture and fixtures in trust)	–	–	–	529	833
Total of expense for rental of renewable energy power plant (B)	–	–	–	43,165	72,593
Income from rental of renewable energy power plant (A-B)	–	–	–	71,848	46,728

b.Details of Investment in Operating Rights for Public Facilities

Not applicable.

c.Details of Investment in Real Estate

The real estate that CSIF holds are to be provided for the use of renewable energy power generation facilities and described in “(3) Details of Assets / a. Details of Power Generation Facilities / (i) Summary” above.

d.Details of Investment in Securities

Not applicable.

(4) Other Assets

Assets related to the power plants are described in “(3) Details of Assets / a. Details of Power Generation Facilities / (iii) Operational Results of Each Power Generation Facilities (in JPY thousand)” and other assets as of December 31, 2021 are as follows.

Category	Type	Contracted Amount (thousand yen) (Note 1)	Contracted Amount (thousand yen) Over 1 year (Note 1)	Fair Value (Note 2)
Transaction Outside of Market	Interest Rate Swap	35,037,039	32,788,321	-
Total		35,037,039	32,788,321	-

(Note 1) The contracted amount is based on notional amount.
(Note 2) As the transaction is booked based on special treatment under the financial instrument accounting standard, the fair value is omitted.

(5) Location of Assets by Country

There is no asset in the countries outside Japan as of December 31, 2021.

4. Capital Expenditures for Assets under Management

(1) Scheduled Capital Expenditures

The following table shows capital expenditures for renewable energy power generation facilities, etc. owned by CSIF during the following fiscal periods. The amount includes the portion which is to be treated as the expense during the period.

Name of infrastructure assets, etc.	Location	Purpose	Projected period	Projected amount (million yen) Total amount	Projected amount (million yen) Amount paid by prior FP	Projected amount (million yen) Amount paid by prior FP
CS Hiji-machi Dai-ni Power Plant	Hayami-gun, Oita	Remodeling work for online curtailment	From June 2021 To March 2022	32	11	11

(2) Capital Expenditures during the Period

The following table shows capital expenditures for renewable energy power generation facilities, etc. owned by CSIF during the fiscal period under review.

Name of infrastructure assets, etc. (Location)	Purpose	Implementation period	Amount paid (thousand yen)
CS Isa-shi Power Plant (Isa-shi, Kagoshima)	Handling work for updated monitoring system for curtailment	From August 17, 2021 To December 27, 2021	3,732
CS Isa-shi Dai-ni Power Plant (Isa-shi, Kagoshima)	Handling work for updated monitoring system for curtailment	From June 1, 2021 To September 30, 2021	3,276
CS Yusui-cho Power Plant (Aira-gun, Kagoshima)	Handling work for updated monitoring system for curtailment	From August 17, 2021 To December 27, 2021	3,853
CS Isa-shi Dai-san Power Plant (Isa-shi, Kagoshima)	Handling work for updated monitoring system for curtailment	From July 1, 2021 To September 30, 2021	4,734
CS Hiji-machi Power Plant (Hayami-gun, Oita)	Remodeling work for online curtailment	From June 14, 2021 To September 15, 2021	5,800
CS Ashikita-machi Power Plant (Ashikita-gun, Kumamoto)	Handling work for updated monitoring system for curtailment	From August 17, 2021 To December 27, 2021	3,982
CS Ishikari Shinshinotsu-mura Power Plant (Ishikari-gun, Hokkaido)	Re-installment work of fences	From July 13, 2021 To October 7, 2021	18,930
CS Ishikari Shinshinotsu-mura Power Plant (Ishikari-gun, Hokkaido)	Re-installment work of panels	From June 25, 2021 To July 9, 2021	10,945
Other power plants			1,047
Total			56,299

(3) Cash Reserved for Long-term Maintenance Plan

Not applicable.

5. Summary of Expenses and Debts

(1) Summary of Expenses

(in thousand yen)

Fiscal Period	8th FP From January 1, 2021 To June 30, 2021	9th FP From July 1, 2021 To December 31, 2021
Asset Management Fee	88,086	111,737
Administrative Service Fee	23,437	27,850
Directors’ Compensation	2,400	2,400
Other Operating Expenses	70,738	66,905
Total	184,662	208,893

(2) Summary of Debts

Category / Lender	Borrowing Date	Beginning Balance (million yen)	Ending Balance (million yen)	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Method	Use	Abstract
Long-term								
Shinsei Bank, Ltd.	October 31, 2017	1,952	1,888	0.84500 (Note 2)	October 31, 2027	Partial amortization	(Note 4)	Unsecured and no guarantee
Mizuho Bank, Ltd.		1,220	1,180					
Sumitomo Mitsui Banking Corporation		1,220	1,180					
MUFG Bank, Ltd.		813	786					
Resona Bank, Ltd.		1,464	1,416					
Orix Bank Corporation		813	786					
The Hiroshima Bank, Ltd.		1,464	1,416					
Nanto Bank, Ltd.		1,464	1,416					
The Oita Bank, Ltd.		732	708					
The Shonai Bank, Ltd.		732	708					
San ju San Bank,Ltd.		162	157					
The Tochigi Bank, Ltd.		732	708					
Shinsei Bank, Ltd.	September 6, 2018	1,470	1,424	1.04200 (Note 2)	September 6, 2028	Partial amortization	(Note 4)	Unsecured and no guarantee
Sumitomo Mitsui Banking Corporation		1,470	1,424					
MUFG Bank, Ltd.		1,698	1,645					
Nanto Bank, Ltd.		849	822					
The Ashikaga Bank, Ltd.		870	843					
The Hiroshima Bank, Ltd.		435	421					
Shinsei Bank, Ltd.	March 8, 2021	1,348	1,306	0.81990 (Note 3)	March 8, 2031	Partial amortization	(Note 4)	Unsecured and no guarantee
Sumitomo Mitsui Banking Corporation		1,348	1,306					
Mizuho Bank, Ltd.		1,316	1,275					
MUFG Bank, Ltd.		1,316	1,275					
Sumitomo Mitsui Trust Bank, Limited		1,316	1,275					
Asahi Shinkin Bank		2,051	1,988					
The Tottori Bank,Ltd.		1,367	1,325					
The Chugoku Bank,Ltd.		1,316	1,275					
The 77 Bank,Ltd.		1,025	994					
The Oita Bank,Ltd.		683	662					
The Nanto Bank,Ltd.		683	662					
The Senshu Ikeda Bank, Ltd.		683	662					
The Bank of Saga,Ltd.		683	662					
The Bank of Nagoya,Ltd.		683	662					
The Fukuho Bank,Ltd.		488	473					
The Bank of Fukuoka,Ltd.		293	284					
Shinsei Bank, Ltd.	March 8, 2021	850	-	0.28545	Earlier of (i) March 8, 2023 or (ii) the first interest payment date after the consumption tax refund date.	Bullet (Note 5)	(Note 4)	Unsecured and no guarantee
Sumitomo Mitsui Banking Corporation		850	-					
Mizuho Bank, Ltd.		600	-					
Total		38,476	35,037					

(Note 1) Average interest rate are based on actual number of days and weighted average. The number are rounded down.
(Note 2) For the debts with interest rate swap for hedging interest rate risk, the average interest rate incorporates the effect of such interest rate swap.
(Note 3) As from March 29, 2021, for the debts with interest rate swap for hedging interest rate risk, the average interest rate incorporates the effect of such interest rate swap.
(Note 4) The uses of the debt proceeds are the purchase of power plants.
(Note 5) Using receipts of the consumption tax refund, it is repaid on September 30, 2021, fully.

(3) Investment Corporation Bond

Name of Investment Corporation Bond	Issue date	Beginning balance (million yen)	Ending Balance (million yen)	Interest rate (%)	Redemption date	Redemption method	Purpose	Abstract
Canadian Solar Infrastructure Investment Corporation / The 1st Unsecured Bond	November 6, 2019	1,100	1,100	0.71	November 6, 2024	Bullet	(Note)	Unsecured and no guarantee
Canadian Solar Infrastructure Investment Corporation / The 1st Unsecured Bond (Green bond)	January 26, 2021	3,800	3,800	0.80	January 26, 2026	Bullet	(Note)	Unsecured and no guarantee
Total		4,900	4,900					

(Note) The purpose is repayment of the debt whose maturity is approaching, payment of future acquisition cost of specified assets, payment of repair cost and capital expenditure, and working capital.

(4) Short-term Investment Corporation Bond

Not applicable.

(5) Unit Acquisition Right

Not applicable.

6. Sales and Purchases during the Period

(1) Summary for Sales and Purchases of Infrastructure Assets, Infrastructure-related Assets, Real Estate and Asset-backed Securities

Not applicable.

(2) Summary for Sales and Purchases of Other Assets

Not applicable.

(3) Valuation of Specified Assets

Not applicable.

(4) Transactions with Interested Parties

a.Sales and Purchases

Not applicable

b.Lease

Name	Lease Income Amount (in JPY thousand) (Note)
Tida Power 01 Godo Kaisha	2,380,145
LOHAS ECE 2 Godo Kaisha	1,102,037
Tida Power 45 Godo Kaisha	104,783

(Note) The lease income amount presents the total of the base lease income amount and the performance liked lease income amount in the 9th fiscal period. Of the acquired assets during the 8th fiscal period, the lessee of CS Ogawara Power Plant was Tida Power 45 Godokaisha as of the lease commencement date, however, since there was a merger where Tida Power 01 Godokaisha was the surviving company, the lease income amount of Tida Power 01 Godokaisha includes the lease income amount of Tida Power 45 Godokaisha in the month including the date of the merger.

c.Commission Paid

The summary of consignment of O&M services to stakeholders of the owing assets in the 9th fiscal period are as following.

Purchase or Sales	Name	Commission amount (in JPY thousand) (Note)
Canadian Solar O&M Japan K.K.	CS Shibushi-shi Power Plant	2,124
	CS Isa-shi Power Plant	1,579
	CS Kasama-shi Power Plant	3,189
	CS Isa-shi Dai-ni Power Plant	2,862
	CS Yusui-cho Power Plant	2,935
	CS Isa-shi Dai-san Power Plant	4,221
	CS Kasama-shi Dai-ni Power Plant	3,145
	CS Hiji-machi Power Plant	4,687
	CS Ashikita-machi Power Plant	3,869
	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West)	5,515
	CS Minano-machi Power Plant	4,117
	CS Kannami-cho Power Plant	1,809
	CS Mashiki-machi Power Plant	71,329
	CS Koriyama-shi Power Plant	829
	CS Tsuyama-shi Power Plant	2,820
	CS Ena-shi Power Plant	2,912
	CS Daisen-cho Power Plant (A) and (B)	43,044
	CS Takayama-shi Power Plant	1,285
	CS Misato-machi Power Plant	1,499
	CS Marumori-machi Power Plant	2,865
	CS Izu-shi Power Plant	13,018
	CS Ishikari Shinshinotsu-mura Power Plant	3,111
	CS Osaki-shi Kejonuma Power Plant	1,372
	CS Hiji-machi Dai-ni Power Plant	60,195
	CS Ogawara-machi Power Plant	10,308

(Note) The commission amount presents the commission amount for each owing asset in the 9th period.

(5) Asset Manager’s Transaction Related to Asset Manager’s Other Business

Asset Manager doesn’t conduct any of the type1 and type2 financial instrument exchange business, real estate transaction business and specified joint real estate ventures. There was no applicable transaction during the period.

7. Summary of Accounts

(1) Summary of Assets, Liabilities, Capital and Income/Loss

Please see the balance sheet, statement of income, statement of changes in unitholders’ equity, note and statement of cash distribution.

(2) Change in Calculation Method of Depreciation

Not applicable.

(3) Change in Valuation Method of Infrastructure Assets and Real Estate

Not applicable.

(4) Company Setting Investment Trust Beneficial Securities

Not applicable.

8. Other

(1) Notification

a.Unitholders’ Meeting

Any unitholders' meetings of CSIF were not held in the 9th period.

b.Board of Executives Meeting

Not applicable.

(2) Treatment of Amount and Ratio with Fractional Point

Unless otherwise described, the amounts are rounded down and the ratio are rounded up or down.

(Unit: thousand yen)

	8th Period (June 30, 2021)	9th Period (December 31, 2021)
Assets		
Current Assets		
Cash and bank deposit	4,611,954	5,101,023
Operating accounts receivable	1,006,913	757,343
Account receivable	75,459	-
Prepaid expenses	135,464	223,542
Consumption taxes receivable	2,511,791	-
Other current assets	10,200	59,130
Total current assets	8,351,783	6,141,040
Fixed Assets		
Property and equipment		
Structures	1,048,112	1,048,112
Accumulated depreciation	(128,066)	(149,698)
Structures, net	920,046	898,414
Machinery and equipment	42,436,866	42,462,893
Accumulated depreciation	(5,589,346)	(6,462,147)
Machinery and equipment ,net	36,847,519	36,000,745
Tools, furniture and fixtures	590,890	590,890
Accumulated depreciation	(78,859)	(90,792)
Tools, furniture and fixtures, net	512,031	500,097
Land	4,505,944	4,505,944
Construction in progress	6,380	-
Structures in trust	6,559,095	6,567,393
Accumulated depreciation	(77,626)	(198,477)
Structures in trust, nett	6,481,469	6,368,915
Machinery and equipment in trust	20,260,404	20,271,746
Accumulated depreciation	(281,261)	(703,763)
Machinery and equipment in trust ,net	19,979,143	19,567,983
Tools, furniture and fixtures in trust	93,540	93,540
Accumulated depreciationt	(1,276)	(3,195)
Tools, furniture and fixtures in trust, netLand	92,264	90,345
Land in trust	4,771,145	4,769,905
Total property and equipment	74,115,945	72,702,352
Intangible assets		
Leasehold rights	1,156,098	1,156,098
Software	1,173	780
Total intangible assets	1,157,272	1,156,878
Investments and other assets		
Long-term prepaid expenses	597,402	558,869
Investment in capital	10	10
Deferred tax assets	12	16
Long-term deposit	15,600	15,600
Guarantee deposits	37,790	37,790
Total investment and other assets	650,815	612,285
Total fixed assets	75,924,033	74,471,517
Deferred Assets		
Investment corporation bond issuance cost	23,261	20,481
Total deferred assets	23,261	20,481
Total Assets	84,299,078	80,633,040

(Unit: thousand yen)

	8th Period (June 30, 2021)	9th Period (December 31, 2021)
Liabilities		
Current liabilities		
Accounts payable – operating	79,837	47,248
Current portion of long-term loans payable	2,270,023	2,248,718
Accounts payable – other	298,657	157,466
Accrued expenses	112,830	101,743
Income taxes payable	860	944
Consumption tax payable	23,959	304,665
Deposits received	15,090	1,010
Total current liabilities	2,801,259	2,861,797
Non-current liabilities		
Investment corporation bond	4,900,000	4,900,000
Long-term loan payable	36,206,482	32,788,321
Total non-current liabilities	41,106,482	37,688,321
Total liabilities	43,907,741	40,550,118
Net assets		
Unitholders' equity		
Unit holders' capital	40,631,004	40,631,004
Deduction from unitholders' capital	(1,313,100)	(1,670,370)
Unitholders' capital (net value)	39,317,904	38,960,634
Surplus		
Unappropriated retained earnings (Accumulated deficit)	1,073,432	1,122,287
Total surplus	1,073,432	1,122,287
Total unitholders' equity	40,391,337	40,082,921
Total net assets	※1 40,391,337	※1 40,082,921
Total liabilities and net assets	84,299,078	80,633,040

(Unit: thousand yen)

		8th period (from January 1, 2021 to June 30, 2021)		9th period (from July 1, 2021 to December 31, 2021)
Operating revenues				
Rental revenues of renewable energy power generation facilities, etc.	※1	3,425,186	※1	3,587,363
Total operating revenues		3,425,186		3,587,363
Operating expenses				
Rental expenses of renewable energy power generation facilities, etc.	※1	1,781,479	※1	2,033,809
Asset management fee		88,086		111,737
Administrative service fees		23,437		27,850
Director's compensation		2,400		2,400
Taxes and duties		2,204		163
Other operating expenses		68,534		66,741
Total operating expenses		1,966,142		2,242,703
Operating income or loss		1,459,043		1,344,659
Non-operating incomes				
Interest income		35		26
Dividends		0		—
Insurance income		79,272		8,194
Interest on refund		33		327
Other non-operating income		11,615		411
Total non-operating income		90,957		8,960
Non-operating expenses				
Interest expenses		147,299		160,345
Interest on investment corporation bond		16,782		19,262
Amortization of investment corporation bond issuance cost		2,514		2,779
Borrowing-related expenses		212,847		37,766
Investment unit issuance costs		72,734		—
Loss on retirement of non-current assets		23,630		10,309
Total non-operating expenses		475,809		230,463
Ordinary income		1,074,191		1,123,156
Income before income taxes		1,074,191		1,123,156
Income taxes - current		866		948
Income tax - deferred		0		(3)
Total income taxes		867		944
Net income		1,073,324		1,122,211
Retained earnings (deficit) brought forward		108		75
Unappropriated retained earnings (Accumulated deficit)		1,073,432		1,122,287

8th Fiscal Period (From January 1, 2021 to June 30, 2021)

(Unit: thousand yen)

	Unitholders' equity						Total net assets
	Unitholders' capital			Surplus		Total unitholders' equity	
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital(net)	Capital surplus or loss	Total surplus		
Balance as of January 1, 2021	22,050,175	(1,174,155)	20,876,019	716,565	716,565	21,592,585	21,592,585
Changes of items during the period							
Issuance of new investment units	18,580,829	—	18,580,829	—	—	18,580,829	18,580,829
Distribution in excess of earnings	—	(138,945)	(138,945)	—	—	(138,945)	(138,945)
Dividend of surplus	—	—	—	(716,457)	(716,457)	(716,457)	(716,457)
Net Income	—	—	—	1,073,324	1,073,324	1,073,324	1,073,324
Total changes of items during the period	18,580,829	(138,945)	18,441,884	356,866	356,866	18,798,751	18,798,751
Balance as of June 30, 2021	*1 40,631,004	(1,313,100)	39,317,904	1,073,432	1,073,432	40,391,337	40,391,337

9th Fiscal Period (From July 1, 2021 to December 31, 2021)

(Unit: thousand yen)

	Unitholders' equity						Total net assets
	Unitholders' capital			Surplus		Total unitholders' equity	
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital(net)	Capital surplus or loss	Total surplus		
Balance as of July 1, 2021	40,631,004	(1,313,100)	39,317,904	1,073,432	1,073,432	40,391,337	40,391,337
Changes of items during the period							
Distribution in excess of earnings	—	(357,270)	(357,270)	—	—	(357,270)	(357,270)
Dividend of surplus	—	—	—	(1,073,357)	(1,073,357)	(1,073,357)	(1,073,357)
Net Income	—	—	—	1,122,211	1,122,211	1,122,211	1,122,211
Total changes of items during the period	—	(357,270)	(357,270)	48,854	48,854	(308,415)	(308,415)
Balance as of December 31, 2021	*1 40,631,004	(1,670,370)	38,960,634	1,122,287	1,122,287	40,082,921	40,082,921

Summary of Significant Accounting Policies(from January 1, 2021 to June 30, 2021)

1.Method of depreciation and amortization of non-current assets	(1) Property and equipment The straight-line method is adopted. In addition, the useful lives of major property and equipment are as shown below: Structures…… 22 - 25 years Machinery and equipment…… 22 - 25 years Tools, furniture and fixtures…… 22 - 25 years Structures in trust… 24 - 30 years Machinery and equipment in trust…… 24 - 25 years Tools, furniture and fixtures in trust…… 24 - 25 years (2) Intangible assets The straight-line method is adopted. In addition, the useful life is as shown below: Software…… 5 years (3) Long-term prepaid expenses The straight-line method is adopted.
2.Method of deferred assets amortization	(1) Investment corporation bond issuance cost The straight-line method over the period until the redemption date is adopted. (2) Investment units issuance expenses Expensed as incurred.
3.Standards for revenue and expense recognition	Accounting for fixed assets tax With respect to fixed assets tax, city planning tax and depreciable assets tax, among other taxes, on the infrastructure assets held, of the tax amount assessed and determined, the amount corresponding to the calculation period is accounted as rental expenses. In addition, reimbursement such as fixed assets tax, which is paid to the seller and other persons on the acquisition of infrastructure assets and other assets (“the amount equivalent to the fixed assets taxes and other taxes”) is not recognized as rental expenses but included in the acquisition cost of the concerned infrastructure assets and other assets. In the fiscal period under review, the amount equivalent to the fixed assets tax and other taxes included in the acquisition cost of infrastructure assets and other assets is 140,493 thousand yen.
4.Method of hedge accounting	(1) Method of hedge accounting Special treatment is adopted for the interest rate swap that meets the requirements for special treatment. (2) Hedging instruments and hedged items: ・Hedging instruments…Interest rate swap transaction ・Hedged items….Interest rate on loans (3) Policy for hedging CSIF conducts derivative transactions to hedge risks as set forth in the CSIF’s Articles of Incorporation according to the rules for risk management. (4) Method of evaluation of effectiveness of hedging The interest rate swap meets the requirements for special treatment, and thus the evaluation of effectiveness is omitted.
5.Other significant matters serving as the basis for preparation of financial statements	(1) Accounting treatment with regard to trust beneficiary interest in real estate With regards to trust beneficial interest in equipment of renewable energy power plants, all assets and liabilities within entrusted assets as well as all revenue and expense items which occur to entrusted assets are recorded as the respective account titles on the balance sheet and statements of income. The following important account titles among the entrusted assets which are recorded as the respective account titles are separately indicated on the balance sheet: Structures in trust, Machinery and equipment in trust,Tools, furniture and fixtures in trust, Land in trust. (2) Accounting for Consumption tax Consumption tax and local consumption tax are excluded from the corresponding transaction amount.

Summary of Significant Accounting Policies(from July 1, 2021 to December 31, 2021)

1.Method of depreciation and amortization of non-current assets	(1) Property and equipment The straight-line method is adopted. In addition, the useful lives of major property and equipment are as shown below: Structures…… 22 - 25 years Machinery and equipment…… 22 - 25 years Tools, furniture and fixtures…… 22 - 25 years Structures in trust… 24 - 30 years Machinery and equipment in trust…… 24 - 25 years Tools, furniture and fixtures in trust…… 24 - 25 years (2) Intangible assets The straight-line method is adopted. In addition, the useful life is as shown below: Software…… 5 years (3) Long-term prepaid expenses The straight-line method is adopted.
2.Method of deferred assets amortization	Investment corporation bond issuance cost The straight-line method over the period until the redemption date is adopted.
3.Standards for revenue and expense recognition	Accounting for fixed assets tax With respect to fixed assets tax, city planning tax and depreciable assets tax, among other taxes, on the infrastructure assets held, of the tax amount assessed and determined, the amount corresponding to the calculation period is accounted as rental expenses. In addition, reimbursement such as fixed assets tax, which is paid to the seller and other persons on the acquisition of infrastructure assets and other assets (“the amount equivalent to the fixed assets taxes and other taxes”) is not recognized as rental expenses but included in the acquisition cost of the concerned infrastructure assets and other assets.
4.Method of hedge accounting	(1) Method of hedge accounting Special treatment is adopted for the interest rate swap that meets the requirements for special treatment. (2) Hedging instruments and hedged items: ・Hedging instruments…Interest rate swap transaction ・Hedged items….Interest rate on loans (3) Policy for hedging CSIF conducts derivative transactions to hedge risks as set forth in the CSIF’s Articles of Incorporation according to the rules for risk management. (4) Method of evaluation of effectiveness of hedging The interest rate swap meets the requirements for special treatment, and thus the evaluation of effectiveness is omitted.
5.Other significant matters serving as the basis for preparation of financial statements	(1) Accounting treatment with regard to trust beneficiary interest in real estate With regards to trust beneficial interest in equipment of renewable energy power plants, all assets and liabilities within entrusted assets as well as all revenue and expense items which occur to entrusted assets are recorded as the respective account titles on the balance sheet and statements of income. The following important account titles among the entrusted assets which are recorded as the respective account titles are separately indicated on the balance sheet: Structures in trust, Machinery and equipment in trust,Tools, furniture and fixtures in trust, Land in trust. (2) Accounting for Consumption tax Consumption tax and local consumption tax are excluded from the corresponding transaction amount.

Notes on Changes in Accounting Policies

From January 1,2021 to June 30, 2021	From July 1, 2021 December 31, 2021
–	(1) Application of Accounting Standard for Revenue Recognition, etc. CSIF has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations effective from the beginning of the fiscal period under review, and it has recognized revenue at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services. This change has no impact on the financial statements of the fiscal period under review. (2) Application of Accounting Standard for Fair Value Measurement, etc. CSIF has applied the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) and relevant ASBJ regulations from the beginning of the fiscal period under review, and it has applied the new accounting policy provided for by the Accounting Standard for Fair Value Measurement, etc. prospectively in accordance with the transitional measures provided for in paragraph 19 of the Accounting Standard for Fair Value Measurement, and paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). This change has no impact on the financial statements of the fiscal period under review.

Notes to Balance Sheet

*1 Minimum net assets stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Unit: thousand yen)

As of June 30, 2021	As of December 31, 2021
50,000	50,000

Notes to Statement of Income

*1 Breakdown of profits and losses from the rental business of renewable energy power generation facilities, etc.

(Unit: thousand yen)

	From January 1, 2021 to June 30, 2021	From July 1, 2021 to December 31, 2021
A. Operating revenue from the rental business of renewable energy power generation facilities, etc.		
Rental revenue of renewable energy power generation facilities, etc.		
(Basic rent)	2,369,477	2,614,668
(Variable rent linked to actual output)	1,055,618	972,297
(Incidental income)	89	396
Total operating revenue from the rental business of renewable energy power generation facilities, etc.	3,425,186	3,587,363
B. Operating expenses from the rental business of renewable energy power generation facilities, etc.		
Rental expenses of renewable energy power generation facilities, etc.		
(Management entrustment expenses)	228,743	254,872
(Repair and maintenance costs)	17,289	17,027
(Taxes and duties)	195,754	194,394
(Utilities expenses)	3,505	5,589
(Insurance expenses)	20,478	43,110
(Depreciation expenses)	1,258,296	1,451,961
(Land rent)	52,686	60,187
(Trust fees)	4,700	6,600
(Other rental expenses)	24	67
Total operating expenses from the rental business of renewable energy power generation facilities, etc.	1,781,479	2,033,809
C. Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	1,643,706	1,553,553

Notes to Statements of Changes in Unitholders' Equity

*1 Total number of authorized investment units and the total number of investment units issued and outstanding

	From January 1, 2021 To June 30, 2021	From July 1, 2021 To December 31, 2021
Total number of authorized investment units	10,000,000 unit	10,000,000 unit
Total number of investment units issued and outstanding	386,656 unit	386,656 unit

Notes on Tax Effect Accounting

1.Breakdown of deferred tax assets and deferred tax liabilities by major cause

(Unit: thousand yen)

	Fiscal period ended June 30, 2021	Fiscal period ended December 31, 2021
Accrued business tax not deductible from taxable income	12	16
Total deferred tax assets	12	16
Net amount of deferred tax assets	12	16

2.Breakdown of each major item that causes a significant difference between the effective statutory tax rate and the rate of the burden of corporate tax and other taxes after the application of tax effect accounting

(Unit: thousand yen)

	Fiscal period ended June 30, 2021	Fiscal period ended December 31, 2021
Effective statutory tax rate	31.46 %	31.46%
(Adjustment)		
Dividends paid deductible for tax purpose	(31.44)%	(31.43)%
Others	0.06 %	0.05%
Rate of burden of corporate tax and other taxes after the application of tax effect accounting	0.08 %	0.08%

Notes on Financial Instruments

For the 8th fiscal period (From January 1, 2021 to June 30, 2021)

1.Situation of financial instruments

(1) Policy for financial instruments

CSIF procures funds for acquiring new assets or repaying loans through loans from financial institutions, issuring investment corporation bond or issuing investment units. The basic policy is to build stable and sound financial operations to maintain and increase earnings in the medium to long term and grow the size and value of assets

(2) Details of the financial instruments and their risks and the risk management system

Long-term loans payables are one of the means to procure the funds for the acquisition of managed assets and are exposed to interest rate fluctuation risk and liquidity risk, among other risks. However, this risk is deducted through the appropriate balancing of the loan period and the interest rate type, and diversification of lenders, and the appropriate management of various types of indexes, especially the general application of the upper limit of the ratio of interest-bearing, which is 60%.

(3) Supplementary explanation on fair value of financial instruments

The fair values of financial instruments are values based on market prices, or if there are no market prices, values are reasonably calculated. Since certain assumptions are used for the calculation of fair values, they may change if different assumptions are used.

2. Matters relating to fair values of financial instruments

The table below shows the book value and fair values of financial instruments as of June 30, 2021 and the difference between them. Financial instruments whose fair values are extremely difficult to estimate are not included in the table.

(Unit: thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	4,611,954	4,611,954	–
(2) Operating accounts receivable	1,006,913	1,006,913	–
(3) Long-term deposits	15,600	15,600	–
Total assets	5,634,467	5,634,467	–
(4) Current portion of long-term loans payable	2,270,023	2,271,482	1,459
(5) Long-term loans payable	36,206,482	36,370,362	163,879
(6) Investment corporation bond	4,900,000	4,889,550	(10,450)
Total liabilities	43,376,505	43,531,378	154,889
(7) Derivative transaction	–	–	–

(Note 1) Methods used for estimating the fair values of financial instruments and matters related to derivative transactions

Assets

(1) Cash and deposits (2) Operating accounts receivable

These financial instruments are settled in the short term, and their fair values are deemed to approximate their book value. Therefore, the book values are used as the values.

(3) Long-term deposits

These financial instruments are fixed deposits and there is no significant fluctuation between estimated interest rates upon new deposit and engaged rates of interest and their fair market values approximate their book values. Therefore, the book values are used as the values.

Liabilities

(4) Current portion of long-term loans payable (5) Long-term loans payable

With respect to long-term loans payable at variable interest rates, the condition that the interest rates are renewed every certain period is applied to loans, and thus the market value is considered to be close to the book value. Accordingly, the book value is used. In addition, for the long-term loans payable at variable interest rates subject to the special treatment of interest rate swap (refer to (7) 2. below), the fair value is measured by discounting the total sum of the principal and interest treated together with the said interest rate swap as one at the interest rate that is applied when the similar loan is obtained and that is reasonably estimated.

(6) Investment corporation bond

Fair value is based on market value.

(7) Derivative transaction

1. Those to which hedge accounting is not applied

Not applicable.

2. Those to which hedge accounting is applied

(unit: thousand yen)

Method of hedge accounting	Type of derivative transactions and other matters	Major items hedged	Contract amount and other amounts	Contract amount and other amounts: Longer than one year	Fair value	Method of calculation of said market value
Special treatment of interest rate swap	Interest rate swap transaction Fixed payment/variable receipt	Long-term loans payable	36,176,505	33,906,482	(Note)	–

(Note) Those that are subject to special treatment of interest rate swap are treated together with the current portion of long-term loans payable and the long-term loans payable to be hedged as one, and thus their fair value is presented together with the fair value of (Note 1) (4) Current portion of long-term loans payable and (5) Long-term loans payable in "Notes on financial instruments 2.Matters relating to fair values of financial instruments, among other matters" .

(Note 2) Scheduled redemption amounts of monetary receivables after the closing date (June 30, 2021)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(1) Cash and deposits	4,611,954	–	–	–	–	–
(2) Operating accounts receivable	1,006,913	–	–	–	–	–
(3) Long-term deposits	–	–	15,600	–	–	–
Total	5,618,867	–	15,600	–	–	–

(Note 3) Scheduled redemption amount of loans payables after the closing date (June 30, 2021)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(4) Current portion of long-term loans payable	2,270,023	–	–	–	–	–
(5) Long-term loans payable	–	4,561,543	2,267,295	2,206,896	2,301,459	24,869,286
(6) Investment corporation bond	–	–	–	1,100,000	3,800,000	–
Total	2,270,023	4,561,543	2,267,295	3,306,896	6,101,459	24,869,286

For the 9th fiscal period (From July 1, 2021 to December 31, 2021)

1.Situation of financial instruments

(1) Policy for financial instruments

CSIF procures funds for acquiring new assets or repaying loans through loans from financial institutions, issuring investment corporation bond or issuing investment units. The basic policy is to build stable and sound financial operations to maintain and increase earnings in the medium to long term and grow the size and value of assets

(2) Details of the financial instruments and their risks and the risk management system

Long-term loans payables are one of the means to procure the funds for the acquisition of managed assets and are exposed to interest rate fluctuation risk and liquidity risk, among other risks. However, this risk is deducted through the appropriate balancing of the loan period and the interest rate type, and diversification of lenders, and the appropriate management of various types of indexes, especially the general application of the upper limit of the ratio of interest-bearing, which is 60%.

(3) Supplementary explanation on fair value of financial instruments

The fair values of financial instruments are values based on market prices, or if there are no market prices, values are reasonably calculated. Since certain assumptions are used for the calculation of fair values, they may change if different assumptions are used.

2. Matters relating to fair values of financial instruments

The table below shows the book value and fair values of financial instruments as of December 31, 2021 and the difference between them. Financial instruments whose fair values are extremely difficult to estimate are not included in the table.

(Unit: thousand yen)

	Book value	Fair value	Difference
(1) Current portion of long-term loans payable	2,248,718	2,250,554	1,835
(2) Long-term loans payable	32,788,321	32,993,351	205,030
(3) Investment corporation bond	4,900,000	4,891,090	(8,910)
Total liabilities	39,937,039	40,134,995	197,955
(4) Derivative transaction	—	—	—

(Note 1) Methods used for estimating the fair values of financial instruments and matters related to derivative transactions

Liabilities

(1) Current portion of long-term loans payable (2) Long-term loans payable

With respect to long-term loans payable at variable interest rates, the condition that the interest rates are renewed every certain period is applied to loans, and thus the market value is considered to be close to the book value. Accordingly, the book value is used. In addition, for the long-term loans payable at variable interest rates subject to the special treatment of interest rate swap (refer to (4) 2. below), the fair value is measured by discounting the total sum of the principal and interest treated together with the said interest rate swap as one at the interest rate that is applied when the similar loan is obtained and that is reasonably estimated.

(3) Investment corporation bond

Fair value is based on market value.

(4) Derivative transaction

1. Those to which hedge accounting is not applied

Not applicable.

2. Those to which hedge accounting is applied

(Unit : thousand yen)

Method of hedge accounting	Type of derivative transactions and other matters	Major items hedged	Contract amount and other amounts		Fair value	Method of calculation of said market value
				Longer than one year		
Special treatment of interest rate swap	Interest rate swap transaction Fixed payment/variable receipt	Long-term loans payable	35,037,039	32,788,321	(Note)	—

(Note) Those that are subject to special treatment of interest rate swap are treated together with the current portion of long-term loans payable and the long-term loans payable to be hedged as one, and thus their fair value is presented together with the fair value of (Note 1) (1) Current portion of long-term loans payable and (2) Long-term loans payable in “Notes on financial instruments 2.Matters relating to fair values of financial instruments, among other matters” .

(Note 2) Scheduled redemption amount of loans payables after the closing date (December 31, 2021)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(1) Long-term loans payable	2,248,718	2,275,477	2,228,931	2,270,245	2,256,998	23,756,669
(2) Investment corporation bond	—	—	1,100,000	—	3,800,000	—
Total	2,248,718	2,275,477	3,328,931	2,270,245	6,056,998	23,756,669

Notes on Investment and Rental Property

CSIF has renewable energy power generation facilities, etc. The book value change during the period and fair value at the end of the period are as shown below.

(Unit: thousand yen)

	Fiscal period ended June 30, 2021	Fiscal period ended December 31, 2021
Book value (Note 2)		
Beginning balance	45,329,524	75,265,664
Change during the period (Note 3)	29,936,139	(1,407,212)
Ending balance	75,265,664	73,858,451
Fair value at the end of the period (Note 4)	79,037,000	77,172,000

(Note 1) The real estate that CSIF holds is real estate to be provided for the use of renewable energy power generation facilities, and thus with respect to the book value and the fair value, the amount of the renewable energy power generation facilities and real estate are stated together as one.

(Note 2) The book value for the balance sheet is the amount at acquisition cost less the accumulated depreciation.

(Note 3) The change during the period ended June 30, 2021 primarily consisted of the increase due to acquisition of two photovoltaic power generation facilities (31,110,809 thousand yen), and the decrease due to depreciation expenses (1,258,296 thousand yen). And the change during the period ended December 31, 2021 primarily consisted of the increase due to capital expenditure for photovoltaic power generation facilities (56,299 thousand yen), and the decrease due to depreciation expenses (1,451,961 thousand yen).

(Note 4) The fair value is the total sum of the median amount that we calculated according to Article 41, paragraph 1 of the CSIF's Articles of Incorporation on the basis of the appraised value in the range stated in the valuation report with the date of the value opinion on June 30, 2021 and December 31, 2021, which was obtained from PricewaterhouseCoopers Sustainability LLC (for S-01 to S-18). And, the fair value is the total sum of the median amount on the basis of the appraised value stated in the valuation report with the date of the value opinion on June 30, 2021, which was obtained from E&Y Strategy and Consulting Co., Ltd. and the valuation opinion on December 31, 2021, which was obtained from Kroll International Inc (for S-19 to S-25).The fair value which is the total sum of the median amount stated in the valuation report of Kroll International Inc is rounded down to the nearest million yen.

In addition, profits and losses from the renewable energy power generation facilities, etc. for the fiscal period ended June 30, 2021 (the 8th period) and the fiscal period ended December 31, 2021 (the 9th period) are as stated in the “Notes to statement of income” above.

Notes on Restriction for Asset Management

Not applicable.

Notes on Related Party Transaction

For prior period (from January 1, 2021 to June 30, 2021)

Attribute	Name	Address	Capital (in JPY thousand)	Business	Number of Units Hold (Held)	Relationship		Transaction	Transaction Amount (in JPY thousand) (Note 1) (Note 2)	Account	Ending Balance (in JPY thousand) (Note 1)
						Concurrent Position of Executive	Business Relationship				
Related Party of Main Investor	LOHAS ECE 2 G.K.	50F Shinjuku Mitsui Bldg., Nishi-shinjuku 2-1-1, Shinjuku-ku, Tokyo JAPAN	100	Development, Acquisition, Building, Posession and Operation, etc. of Renewable energy power generation facilities, etc.	—	Not applicable	Acquisition of Solar Power Generation Facilities	Acquisition of Solar Power Generation Facilities	27,851,000	—	—
Related Party of Main Investor	Tida Power 45 G.K.	50F Shinjuku Mitsui Bldg., Nishi-shinjuku 2-1-1, Shinjuku-ku, Tokyo JAPAN	0	Development, Acquisition, Building, Posession and Operation, etc. of Renewable energy power generation facilities, etc.	—	Not applicable	Acquisition of Solar Power Generation Facilities	Acquisition of Solar Power Generation Facilities	2,745,000	—	—
Interested Party of Asset Manager	Canadian Solar O&M Japan K.K.	50F Shinjuku Mitsui Bldg., Nishi-shinjuku 2-1-1, Shinjuku-ku, Tokyo JAPAN	100,000	Operation and Maintenance	—	Not applicable	Outsourcing of Operation and Maintenance	Payment of O&M Fee	228,525	Accounts Payable	79,837

(Note 1) The amounts exclude consumption taxes.

(Note 2) The condition of transactions are referring to market prices etc.

For current period (from July 1, 2021 to December 31, 2021)

Attribute	Name	Address	Capital (in JPY thousand)	Business	Number of Units Hold (Held)	Relationship		Transaction	Transaction Amount (in JPY thousand) (Note 1) (Note 2)	Account	Ending Balance (in JPY thousand) (Note 1)
						Concurrent Position of Executive	Business Relationship				
Interested Party of Asset Manager	Canadian Solar O&M Japan K.K.	50F Shinjuku Mitsui Bldg., Nishi-shinjuku 2-1-1, Shinjuku-ku, Tokyo JAPAN	100,000	Operation and Maintenance	—	Not applicable	Outsourcing of Operation and Maintenance	Payment of O&M Fee	254,653	Accounts Payable	47,248

(Note 1) The amounts exclude consumption taxes.

(Note 2) The condition of transactions are referring to market prices etc.

Notes on Per Unit Information

Prior fiscal period From January 1,2021 to June 30, 2021		Current fiscal period From July 1, 2021 December 31, 2021	
Net assets per unit	104,463 yen	Net assets per unit	103,665 yen
Net income per unit	3,234 yen	Net income per unit	2,902 yen
Net income per unit is calculated by dividing net income by the average number of investment units during the period. With respect to diluted profit per unit for the period, there are no dilutive investment units, and thus the statement is omitted.		Net income per unit is calculated by dividing net income by the average number of investment units during the period. With respect to diluted profit per unit for the period, there are no dilutive investment units, and thus the statement is omitted.	

(Note) The basis of calculation of net income (net loss) per unit is as follows.

	Prior fiscal period From January 1, 2021 to June 30, 2021	Current fiscal period From July 1, 2021 December 31, 2021
Net income (Net loss) (Thousand yen)	1,073,324	1,122,211
Amount not attributable to common unit holders (Thousand yen)	—	—
Net income (Net loss) attributable to Common unit holders (Thousand yen)	1,073,324	1,122,211
Average number of investment units during the period (Units)	331,820	386,656

Notes on Subsequent Event after the Balance Sheet Date

For the 8th fiscal period (From January 1, 2021 to June 30, 2021)

Not applicable.

For the 9th fiscal period (From July 1, 2021 to December 31, 2021)

Not applicable.

Notes on Revenue Recognition

Not applicable.

	Fiscal Period under Review (From January 1, 2021 to June 30, 2021)	Fiscal Period under Review (From July 1, 2021 to December 31, 2021)
I Unappropriated retained earnings (accumulated deficit)	1,073,432,803 Yen	1,122,287,453 Yen
II Distributions in excess of retained earnings		
Deduction from unitholders' capital	357,270,144 Yen	327,884,288 Yen
III Cash distributions	1,430,627,200 Yen	1,449,960,000 Yen
(Cash distributions per unit)	(3,700)Yen	(3,750) Yen
Profit distributions	1,073,357,056 Yen	1,122,075,712 Yen
(Profit distributions per unit)	(2,776)Yen	(2,902) Yen
Distributions in excess of retained earnings	357,270,144 Yen	327,884,288 Yen
(Distributions in excess of retained earnings)	(924)Yen	(848) Yen
IV Retained earnings (deficit) carried forward	75,747 Yen	211,741 Yen
Calculation method for cash distributions	In accordance with Articles 47, Paragraph 1 of Canadian Solar Infrastructure Fund, Inc. ("CSIF') s Articles of Incorporation, the amount of cash distributions shall be the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, CSIF decided to make distributions of ¥1,073,357,056 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥1,073,432,803 excluding fractions of the distribution per unit that are less than ¥1. CSIF distributes cash in excess of retained earnings every fiscal period based on the cash distribution policy prescribed in Article 47, Paragraph 2 of CSIF's Articles of Incorporation. Based on this policy, CSIF decided to make cash distributions in excess of earnings (return of capital categorized as a distribution of the reduction in capital for Japanese tax purposes) in the amount of ¥357,270,144 which is equivalent to 28.4% of the amount of depreciation expenses recorded for the fiscal period under review of ¥1,258,689,411. Accordingly, the distribution per unit is ¥3,700.	In accordance with Articles 47, Paragraph 1 of Canadian Solar Infrastructure Fund, Inc. ("CSIF') s Articles of Incorporation, the amount of cash distributions shall be the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, CSIF decided to make distributions of ¥1,122,075,712 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥1,122,287,453 excluding fractions of the distribution per unit that are less than ¥1. CSIF distributes cash in excess of retained earnings every fiscal period based on the cash distribution policy prescribed in Article 47, Paragraph 2 of CSIF's Articles of Incorporation. Based on this policy, CSIF decided to make cash distributions in excess of earnings (return of capital categorized as a distribution of the reduction in capital for Japanese tax purposes) in the amount of ¥327,884,288 which is equivalent to 22.6% of the amount of depreciation expenses recorded for the fiscal period under review of ¥1,452,355,201. Accordingly, the distribution per unit is ¥3,750.

(Note) Distributions in excess of retained earnings per unit will generally be based on the cash distribution policy prescribed in CSIF's Articles of Incorporation and the Asset Manager's asset management guideline.
CSIF intends to make cash distributions of NCF within the FCF generated from the renewable energy power generation facilities. The amount available for distribution shall be calculated by multiplying NCF by the payout ratio.
Further, CSIF intends to make distributions in excess of retained earnings for each fiscal period in order to realize such policy.
CSIF's forecasts (including revised forecasts) for each fiscal period are based on the assumption of the Forecast Power Generation (P50) provided in the independent technical report which is used as a basis for calculating rents for renewable energy power generation facilities and if actual NCF calculated based on actual power generation during the applicable fiscal period exceeds forecast NCF, CSIF's policy is to set "forecast NCF multiplied by the payout ratio" as the upper limit of the amount of cash distributions for the applicable fiscal period.
On the other hand, if actual NCF is less than forecast NCF, CSIF's policy is to set "actual NCF multiplied by the payout ratio" as the amount of cash distributions for the applicable fiscal period.
Based on this policy, CSIF decided to make distributions for the previous fiscal period of ¥1,430,627,200 which is equivalent to 91.4% of forecast NCF amount for the fiscal period under review of ¥1,564,321,798. Of this, ¥357,270,144 which is the amount less of distributions of profit of ¥1,073,357,056 is distributions in excess of retained earnings.
Based on this policy, CSIF decided to make distributions for the current fiscal period of ¥1,449,960,000 which is equivalent to 82.3% of forecast NCF amount for the fiscal period under review of ¥1,761,854,843. Of this, ¥327,884,288 which is the amount less of distributions of profit of ¥1,122,075,712 is distributions in excess of retained earnings.

(unit: thousand yen)

	8th period (From January 1, 2021 to June 30, 2021)		9th period (From July 1, 2021 to December 31, 2021)	
Cash flows from operating activities				
Income (Loss) before income taxes		1,074,191		1,123,156
Depreciation cost		1,258,689		1,452,355
Investment unit issuance costs		72,734		—
Amortization of investment corporation bond issuance expenses		2,514		2,779
Interest income and dividends		(35)		(26)
Interest expenses		164,082		179,607
Other non-operating income		—		(411)
Loss on retirement of non-current assets		23,630		10,309
Decrease (Increase) in operating accounts receivable		(644,706)		249,570
Decrease (Increase) in account receivable		(75,459)		75,459
Decrease (Increase) in consumption taxes receivable		(2,468,252)		2,493,297
Decrease (Increase) in consumption taxes payable		(9,989)		282,442
Decrease (Increase) in prepaid expenses		18,744		(88,078)
Decrease (Increase) in long-term prepaid expenses		(336,693)		38,533
Increase (Decrease) in operating accounts payable		(12,894)		(5,601)
Increase (Decrease) in accounts payable - other		16,916		30,089
Increase (Decrease) in accrued expenses		(2,242)		(12,051)
Other, net		3,935		(63,011)
Sub-total		(914,834)		5,768,420
Interest received		35		26
Interest paid		(151,529)		(178,642)
Income taxes paid		(885)		(864)
Net cash provided by (used in) operating activities		(1,067,212)		5,588,939
Cash flows from investing activities				
Purchases of property and equipment	※1	(30,614,353)	※1	(229,777)
Purchases of intangible assets		(402,959)		—
Payment of investment in capital		(10)		—
Net cash provided by (used in) investing activities		(31,017,322)		(229,777)
Cash flows from financing activities				
Proceeds from long-term loans payable		19,300,000		—
Repayment of long-term loans payable		(6,865,735)		(3,439,466)
Proceeds from investment corporation bond issuance		3,800,000		—
Payment of investment corporation bond issuance costs		(19,000)		—
Proceeds from issuance of investment units		18,580,829		—
Payment of investment units issuance costs		(72,734)		—
Dividends paid		(716,457)		(1,073,357)
Surplus earning distribution paid		(138,945)		(357,270)
Net cash provided by (used in) financing activities		33,867,956		(4,870,093)
Net increase (decrease) in cash and cash equivalents		1,783,421		489,069
Cash and cash equivalents at the beginning of the fiscal period		2,828,532		4,611,954
Cash and cash equivalents at the end of the fiscal period	※2	4,611,954	※2	5,101,023

(Note) The statement of cash flow is prepared based on the "Regulations Concerning Terminology, Forms, and Preparation Methods of Financial Statements" (Ministry of Finance Regulation No.59, 1963) and attached as the reference information. This statement of cash flow is not subject to the financial audit by an accounting auditor according to the Article 130 in the Act on Investment Trusts and Investment Corporations and so it has not undergone an accounting audit by an accounting auditor.

Summary of Significant Accounting Policies

	From January 1, 2021 To June 30, 2021	From July 1, 2021 To December 31, 2021
Scope of funds in statement of cash flows	Funds (cash and cash equivalents) in statement of cash flows consist of cash on hand, demand deposits and short-term investments with a maturity of three months or less at the date of acquisition that can readily be converted into cash and that are subject to insignificant risks of changes in value.	Funds (cash and cash equivalents) in statement of cash flows consist of cash on hand, demand deposits and short-term investments with a maturity of three months or less at the date of acquisition that can readily be converted into cash and that are subject to insignificant risks of changes in value.

Notes to Statement of Cash Flows

*1 Relationship between the ending balance of cash and cash equivalents and the amounts on the balance sheet

From January 1, 2021 To June 30, 2021

*1 Summary of purchases of property and equipment

(as of June 30, 2021)

(unit: thousand yen)

Purchase prices of property and equipment in 7th period	(30,614,353)
Retrun of purchase prices of property and equipment purchased in previous years	—
Purchase prices of property and equipment	(30,614,353)

*2 Relationship between the ending balance of cash and cash equivalents and the amounts on the balance sheet

(as of June 30, 2021)

(unit: thousand yen)

Cash and deposits	4,611,954
Term deposits over three months	—
Cash and cash equivalents	4,611,954

From July 1, 2021 To December 31, 2021

*1 Summary of purchases of property and equipment

(as of December 31, 2021)

(unit: thousand yen)

Purchase prices of property and equipment in 7th period	(229,777)
Retrun of purchase prices of property and equipment purchased in previous years	—
Purchase prices of property and equipment	(229,777)

*2 Relationship between the ending balance of cash and cash equivalents and the amounts on the balance sheet

(as of December 31, 2021)

(unit: thousand yen)

Cash and deposits	5,101,023
Term deposits over three months	—
Cash and cash equivalents	5,101,023